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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

26 April 2017

**Recommended Combination
of
Mariana Resources Limited (“Mariana”)
and
Sandstorm Gold Ltd (“Sandstorm”)**

Summary

- The board of directors of Sandstorm and the Mariana Independent Directors are pleased to announce that they have reached an agreement on the terms of a recommended share and cash acquisition by which the entire issued and to be issued ordinary share capital of Mariana that Sandstorm does not already own will be acquired by Sandstorm (the “**Combination**”). It is intended that the Combination will be implemented by way of a court-sanctioned scheme of arrangement under Part VIII of the Companies (Guernsey) Law.
- Sandstorm currently holds 8,980,243 Mariana Shares, representing approximately 7.0 per cent. of the issued ordinary share capital of Mariana, and Mariana Warrants over a further 4,490,122 Mariana Shares.
- If successful, the Combination will result in Mariana Shareholders, together, owning approximately 19.0 per cent. of the ordinary share capital of the enlarged Sandstorm group (the “**Combined Group**”), calculated by reference to the fully diluted issued share capital of Mariana net of Sandstorm’s interests in Mariana Shares and Mariana Warrants.

Terms of the Combination

- Under the terms of the Combination, Scheme Shareholders will receive 0.2573 New Sandstorm Shares and 28.75 pence in cash for each Scheme Share held at the Scheme Record Time.
- Based on the closing price of US\$4.04 per Sandstorm Share on NYSE MKT and a currency exchange rate of £0.7788 per US\$, on 25 April 2017 (being the last Business Day before the date of this Announcement), the terms of the Combination represent:
 - a value of approximately 109.71 pence per Mariana Share;
 - a value of approximately £166.85 million for Mariana’s fully diluted ordinary share capital;
 - a premium of approximately 84.38 per cent. to the closing price of 59.5 pence per Mariana Share on AIM on 25 April 2017 (being the last Business Day before the date of this Announcement); and
 - a premium of approximately 88.30 per cent. to the 20-day VWAP per Mariana Share of 62.84 pence on AIM to 25 April 2017 (being the last Business Day before the date of this

Announcement), based on the 20-day VWAP per Sandstorm Share of 348.16 pence on NYSE MKT to the same date and utilising daily close composite exchange rates.

- If, after the date of this Announcement, any dividend and/or other distribution is announced, declared or paid in respect of the Mariana Shares, Sandstorm reserves the right to reduce the Consideration by an amount up to the amount of such dividend and/or distribution so announced, declared or paid.

Highlights of the Combination

- The Combination is expected to create a leading mid-tier stream and royalty company, delivering significant benefits to shareholders of Mariana and Sandstorm.
- Stream and royalty finance involves making an upfront payment to a mining partner that is in need of capital to build their mine, refinance their obligations, complete an acquisition or for various other reasons. In exchange for that upfront payment, Sandstorm receives the right to purchase a percentage of the gold produced from the mine (in the case of a stream) or a portion of the revenue generated from the mine (in the case of a royalty).
- The Combined Group will have:
 - A diversified portfolio of 155 streams and royalties including 20 producing, 23 development-stage, 26 advanced exploration-stage and 86 exploration-stage assets (the “**Stream and Royalty Portfolio**”). Of the projects that make up the Stream and Royalty Portfolio, 63% are located in North America, 19% in South America, 12% in Asia, 3% in Africa and 3% in Australia.
 - A 30% incorporated joint venture interest (“**JV**”) in the high-grade, gold-copper, development-stage Hot Maden project in northeast Turkey (“**Hot Maden**”) which is held by Mariana via the Turkish company Artmin Madencilik Sanayive Ticaret AS.
 - At an appropriate stage post completion of the Combination, Sandstorm intends to move from the current position of equity participation in the JV to converting the Combined Group’s interest in the JV into a gold stream, adding significant future cash flow growth potential to the Stream and Royalty Portfolio. This will require the Combined Group to identify a purchaser for the JV interest, with consideration of such sale being a newly created gold stream, resulting in an effective conversion of the JV interest into a gold stream. At present the Combined Group has not begun soliciting interest in a conversion transaction and intends to conduct such solicitation in the future after Hot Maden has undergone several de-risking and value creating milestones.
 - Hot Maden is expected to be a straightforward, low capital cost project with estimated initial construction capital requirements of US\$169 million (approximately US\$51 million attributed to the 30% JV interest). The high-grade nature of the orebody and its wide mineralized zones provide the potential for a low cost mining operation, with estimated all-in sustaining costs of less than US\$400 per ounce gold-equivalent, which if achieved would lead to significant cash flow generation from the project.
 - Hot Maden will continue to be managed by Turkish company Lidya Madencilik Sanayive Ticaret A.S. (“**Lidya**”), the 70% JV partner at Hot Maden. Lidya is an experienced Turkish company and is part of Çalık Holding, a Turkish conglomerate with several business lines including energy, telecommunication, finance, construction, textiles and mining. Lidya is currently partnered with Alacer Gold

Corp. on the producing Çöpler mine and the development-stage Gediktepe and Kartaltepe projects in Turkey.

- An interest in the remaining exploration properties of Mariana with a focus on gold, silver and associated metals in Côte d'Ivoire, Turkey and Argentina (the "**Exploration Properties**"). Following completion of the Combination, Sandstorm intends to spin-out the Exploration Properties into a separate company (the "**SpinCo**"), with the Combined Group retaining royalty interests over the Exploration Properties together with equity in the SpinCo. Sandstorm intends that the SpinCo would seek external investment, as required, to fund future exploration costs, with a goal of allowing shareholders of the Combined Group to maintain significant exposure to the Exploration Properties without exposure to further investment requirements.
- Following the Combination, the Combined Group will maintain a strong balance sheet with significant available liquidity from its US\$110 million revolving credit facility and strong cash flow from operations to fund Sandstorm's ongoing strategy of future stream and royalty acquisitions. The Combined Group will also have a portfolio of equity and debt investments in other mining companies which is intended to be monetized to support the Combined Group's ongoing acquisition strategy in due course.
- Cash currently remaining in the Mariana Group of approximately US\$5 million as at 25 April 2017, being the last Business Day before the date of this Announcement, which is expected to be sufficient to fund Mariana's ongoing pro rata share of development programmes and cash calls for the Hot Maden JV until January 2018 as well as furthering exploration as prioritised in Mariana's area of focus.
- Superior market liquidity for Mariana Shareholders. Over the last 15 months, the daily dollar trading volume of Sandstorm has averaged approximately US\$10 million between the NYSE MKT and TSX.
- Experienced management team which has completed more than US\$2 billion in stream and royalty transactions. On completion of the Combination, Nolan Watson will be President and Chief Executive Officer of the Combined Group and Glen Parsons will continue to manage the Exploration Properties furthering the advancement up the development curve.

Commenting on today's Announcement, John Horsburgh, Non-executive Chairman of Mariana said:

"The Independent Directors recommend that Mariana Shareholders approve this Combination. The Combination with a company such as Sandstorm not only de-risks Mariana's exposure as a single development/production asset company but provides a stronger diverse platform and ability to finance the development of the 30% owned high grade gold-copper discovery at Hot Maden in Turkey. The terms of the Combination represent a significant and attractive premium to the market price of Mariana Shares. The Consideration includes a Cash Consideration Amount and a New Sandstorm Share Consideration Amount component that provides an opportunity for Mariana Shareholders to participate in the upside of Hot Maden, as it advances to production, as well as exposure to the existing Mariana Exploration Properties and the Combined Group's streaming and royalty portfolio. The Independent Directors have also taken into account the high liquidity of Sandstorm Shares in arriving at this recommendation."

Commenting on today's Announcement, Nolan Watson, President and Chief Executive Officer of Sandstorm said:

"We believe that, by combining Mariana and Sandstorm and subsequently converting the Hot Maden JV interest into a gold stream, we can unlock the inherent value of Hot Maden and deliver the optimal outcome for shareholders without incurring further equity dilution to finance the interest in Hot Maden. We believe that Hot Maden is a unique asset with a robust cash flow profile and will be an anchor gold stream asset that has the potential to more than double Sandstorm's attributable gold equivalent

production once in full operation. We are confident in Lidya as the operating partner at Hot Maden and we look forward to watching the project advance towards production and the mineralization expand through continued exploration.

The Combination is expected to transform the Combined Group into a leading mid-tier streaming and royalty company and our focus will be growth by acquisition with the primary objective being to add streams and royalties on quality projects with exploration upside, with the balance of Mariana's exploration portfolio contributing to this. We believe that we are well positioned to continue to execute on our growth plans with significant available liquidity from our US\$110 million revolving credit facility and a portfolio of equity and debt investments in other mining companies that we plan to monetize."

Further details of the Combination

- It is intended that the Combination will be implemented by means of a Court-sanctioned scheme of arrangement under Part VIII of the Companies (Guernsey) Law, further details of which are contained in the full text of this Announcement. However, Sandstorm reserves the right to implement the Combination by way of a takeover offer (which shall be an offer for the purposes of section 337 of the Companies (Guernsey) Law), subject to the Panel's consent and the terms of the Co-operation Agreement.
- The Mariana Independent Directors, who have been so advised by RFC Ambrian Limited ("**RFC Ambrian**") as to the financial terms of the Combination, consider the terms of the Combination to be fair and reasonable. In providing their advice, RFC Ambrian have taken into account the commercial assessments of the Mariana Independent Directors. RFC Ambrian is providing independent financial advice to the Mariana Independent Directors for the purposes of Rule 3 of the Code.
- The Mariana Independent Directors have also been advised by Raymond James Ltd. ("**Raymond James**") as to the financial terms and certain Canadian capital market aspects of the Combination.
- Accordingly, the Mariana Independent Directors have unanimously approved the Combination and intend to recommend that Mariana Shareholders vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting as they have irrevocably undertaken to Sandstorm to do in respect of their own beneficial holdings of, in aggregate, 905,050 Mariana Shares representing approximately 0.71 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).
- In addition to the irrevocable undertakings from the Mariana Independent Directors, Sandstorm has also received irrevocable undertakings from each of Australian Investors Pty Ltd and AngloGold Ashanti Holdings Plc to vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting in respect of, in aggregate, 8,718,089 Mariana Shares, representing approximately 6.80 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).
- Sandstorm has therefore received irrevocable undertakings to vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting in respect of, in aggregate, 9,623,139 Mariana Shares representing, in aggregate, approximately 7.51 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).
- Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this Announcement.

- Glen Parsons and Eric Roth have also irrevocably undertaken to Sandstorm to vote in favour of those resolutions to be proposed at the General Meeting on which they are entitled to vote in respect of, in aggregate, 986,621 Mariana Shares representing approximately 0.77 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement). As a consequence of the Retention Arrangements, Glen Parsons and Eric Roth will not vote on the resolution to approve the Scheme at the Guernsey Court Meeting.
- Neither of Ron Ho or Mustafa Aksoy has given an irrevocable undertaking to Sandstorm on the basis that: (i) Ron Ho is an employee of Sandstorm; and (ii) Mustafa Aksoy does not hold any Mariana Shares.
- The Scheme Document, containing further information about the Combination and notices of the Guernsey Court Meeting and General Meeting, together with the Forms of Proxy, will be sent to Mariana Shareholders and (for information only) to principals in the Mariana Employee Equity Plans and holders of Mariana Warrants as soon as practicable and, in any event, within 28 days of the date of this Announcement (unless the Panel agrees otherwise). An expected timetable of principal events will be included in the Scheme Document. The Scheme Document will also be available for review on SEDAR under Mariana's profile at www.sedar.com.

This summary should be read in conjunction with, and is subject to, the full text of the following Announcement (including its Appendices). The Combination will be subject to the Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document. Appendix 2 contains the sources and bases of certain information contained in this summary and the following Announcement. Appendix 3 contains details of the irrevocable undertakings received by Sandstorm. Appendix 4 contains details of the Sandstorm Forecast. Appendix 5 contains the definitions of certain terms used in this summary and the following Announcement.

Joint Webcast and Conference Call Details

A conference call will be held on 26 April 2017 starting at 8:00 am (Pacific Daylight Time) to further discuss the Combination. To participate in the conference call, use the following dial-in numbers and conference ID, or join the webcast using the link below:

North America Toll Free: 888 390 0546
 U.K. Local: +44 (0)800 652 2435
 Conference ID: 75483188
 Webcast URL: <http://ow.ly/CDou30bafh0>

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IMPORTANT NOTICE

The technical and scientific information relating to Mariana and its assets contained in this Announcement has been reviewed and approved for release by Eric Roth, Mariana's Qualified Person as defined by NI 43-101 – *Standards for Disclosure of Mineral Projects*. Mr Roth is Mariana's Chief Operating Officer and Executive Director and holds a Ph.D. in Economic Geology from the University of Western Australia, is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM), and is a Fellow of the Society of Economic Geologists (SEG). Mr Roth has 25 years of experience in international minerals exploration and mining project evaluation.

The person responsible for arranging for the release of this Announcement on behalf of Mariana is Glen Parsons, CEO.

KPMG LLP, which is authorised and regulated in the UK by the FCA, is acting exclusively as financial adviser to Sandstorm in relation to the Combination, and is not acting for any other person in relation to such Combination. KPMG LLP will not be responsible to anyone other than Sandstorm for providing the protections afforded to its clients nor for providing advice in relation to the Combination or any other matters referred to in this Announcement or otherwise.

RFC Ambrian Limited, which is authorised and regulated by the FCA, is acting exclusively for Mariana and no-one else in connection with the Combination and will not be responsible to anyone other than Mariana for providing the protections afforded to clients of RFC Ambrian Limited nor for providing advice in relation to the Combination or any other matters referred to in this Announcement.

Raymond James Ltd. is acting exclusively as Canadian financial adviser to Mariana and to the Mariana Independent Directors, and no-one else in connection with the Combination and will not be responsible to anyone other than Mariana for providing the protections afforded to clients of Raymond James Ltd. nor for providing advice in relation to the Combination or any other matters referred to in this Announcement.

Further information

This Announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Combination or otherwise, nor shall there be any sale, issuance or transfer of securities of Mariana in any jurisdiction in contravention of applicable law. The Combination will be made solely by means of the Scheme Document, which will contain the full terms and conditions of the Combination including details of how to vote in respect of the Scheme. Any vote in respect of the Scheme or other response

in relation to the Combination should be made only on the basis of the information contained in the Scheme Document.

Overseas jurisdictions

The availability of the Combination to Mariana Shareholders who are not resident in and citizens of the UK or Guernsey may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK or Guernsey should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Relevant clearances have not been, and will not be, obtained from the securities commission or similar regulatory authority of any province or territory of Canada. Further details in relation to overseas shareholders will be contained in the Scheme Document and Mariana Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

The release, publication or distribution of this Announcement in or into jurisdictions other than the UK or Guernsey may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK or Guernsey should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law, Guernsey law, certain applicable Canadian securities laws, the AIM Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England or Guernsey.

Copies of this Announcement and the formal documentation relating to the Scheme and the Combination will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction.

Notice to US Holders, US Optionholders and US Warrantholders

The Combination and the securities to be issued in connection with the Combination have not been approved or disapproved by the SEC or the securities regulatory authority of any state of the United States, nor has the SEC or any such state securities regulatory authority passed upon the fairness or merits of the Combination or upon the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence.

The New Sandstorm Shares to be received by Mariana Shareholders in exchange for their Mariana Shares pursuant to the Combination have not been, and will not be, registered under the US Securities Act or the securities laws of any state, district or other jurisdiction of the United States, and such securities are intended to be issued in reliance upon the exemption from the registration requirements of the US Securities Act set forth in Section 3(a)(10) thereof on the basis of the approval of the Guernsey Court, which will be informed of the intention to rely upon such exemption, and similar exemptions under applicable state securities laws. Section 3(a)(10) of the US Securities Act, generally, exempts the issuance of securities issued in exchange for one or more bona fide outstanding securities, from the registration requirements of the US Securities Act where the terms and conditions of such issuance and exchange have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the substantive and procedural terms and conditions of such issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely and adequate notice thereof, among other conditions and requirements.

Mariana Options and Mariana Warrants will remain outstanding under their terms and any securities issuable upon exercise thereof have not been and will not be registered under the U.S. Securities Act

or applicable state securities laws. As a result, Mariana Options and Mariana Warrants may not be exercised in the United States or by or on behalf of a US Optionholder or US Warrantholder, as applicable, nor may any New Sandstorm Shares issued upon such exercise be offered or resold in the United States or to or for the account of such a US holder, except pursuant to the terms of such security and pursuant to a registration statement under the U.S. Securities Act or an exemption from applicable registration requirements or in a transaction not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws.

The New Sandstorm Shares to be received by Mariana Shareholders upon completion of the Combination may be resold without restriction under the US Securities Act, except in respect of resales by persons who are “affiliates” (within the meaning of Rule 144 under the US Securities Act) of Sandstorm at the time of the Section 3(a)(10) exchange or who have been affiliates of Sandstorm within 90 days before the Section 3(a)(10) exchange or who are affiliates of Sandstorm at the time of such resale or within the 90-day period prior to such resale. Persons who may be deemed to be “affiliates” of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer (which includes, among others, 10% shareholders).

The financial information on Sandstorm in this Announcement has been extracted or derived (without material adjustment) from Sandstorm's Annual Report and Accounts for the year ended 31 December 2016 and the unaudited interim production results for the three-month period ending 31 March 2017, which are prepared in US Dollars. The financial information on Mariana in this Announcement has been extracted or derived (without material adjustment) from Mariana's Annual Report and Accounts for the year ended 31 December 2016, which are prepared in British Pounds Sterling. In addition, such financial statements and other financial information included or incorporated by reference in this Announcement have been prepared in accordance with IFRS, which differs from US GAAP in certain material respects, and thus are not directly comparable to financial statements prepared in accordance with US GAAP.

Information in this Announcement or in the documents incorporated by reference herein concerning the properties and operations of Sandstorm and of Mariana has been prepared in accordance with requirements and standards under securities laws, which differ from the requirements of US securities laws. The terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” used in the Announcement or in the documents incorporated by reference herein are mining terms as defined in accordance with NI 43-101 under guidelines set out in the Definition Standards for Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy and Petroleum Council on 11 December 2005. While the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are recognized and required by securities laws other than the requirements of US securities laws, they are not recognized by the SEC. Disclosure of contained ounces are or may be permitted disclosure under regulations applicable to Mariana and Sandstorm; however, the SEC normally only permits issuers to report resources as in place tonnage and grade without reference to unit of production measures. As such, certain information contained in the Announcement or in the documents incorporated by reference herein concerning descriptions of mineralization and mineral resources under these standards may not be comparable to similar information made public by US companies subject to reporting and disclosure requirements of the SEC.

US Holders should be aware that the Combination described in the Announcement may have tax consequences in the United States and should consult their own tax advisors to determine the particular United States tax consequences to them of the Combination in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

The enforcement by investors of civil liabilities under the United States federal and state securities laws may be affected adversely by the fact that Sandstorm and Mariana are incorporated or organized under the laws of a jurisdiction other than the United States, that some or all of their officers and

directors are and will be residents of countries other than the United States, that some or all of the experts named in the Announcement may be residents of countries other than the United States, and that all or a substantial portion of the assets of Sandstorm, Mariana and such persons are and will be located outside the United States. As a result, it may be difficult or impossible for US Holders (including US Optionholders and US Warrantholders) to effect service of process within the United States upon Sandstorm or Mariana, as applicable, their respective officers or directors or the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or applicable securities laws of any state within the United States. In addition, US Holders (including US Optionholders and US Warrantholders) should not assume that the courts of Guernsey: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or applicable securities laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or applicable securities laws of any state within the United States.

Notice to Canadian Holders

The enforcement by investors of civil liabilities under the Canadian securities laws may be affected adversely by the fact that Mariana is incorporated or organized under the laws of a jurisdiction other than Canada, that some or all of Sandstorm's and Mariana's officers and directors are and will be residents of countries other than Canada, that some or all of the experts named in this Announcement may be residents of countries other than Canada, and that all or a substantial portion of the assets of Sandstorm, Mariana and such persons are and will be located outside Canada. As a result, it may be difficult or impossible for Canadian Holders to effect service of process within Canada upon Mariana, Sandstorm's and Mariana's respective officers or directors or the experts named herein, or to realize, against them, upon judgments of courts of Canada predicated upon liabilities under Canadian securities laws. In addition, Canadian Holders should not assume that the courts of Guernsey: (a) would enforce judgments of Canadian courts obtained in actions against such persons predicated upon civil liabilities under Canadian securities laws; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the Canadian securities laws.

The New Sandstorm Shares to be issued pursuant to the Combination will be issued in reliance upon exemptions from the prospectus requirements of securities legislation in each province of Canada. Subject to certain disclosure and regulatory requirements and to customary restrictions applicable to distributions of shares that constitute "control distributions", New Sandstorm Shares may be resold in each province and territory in Canada, subject in certain circumstances, to the usual conditions that no unusual effort has been made to prepare the market or to create demand, no extraordinary commission or consideration is paid and, if the selling shareholder is an insider or officer of Sandstorm, such shareholder has no reasonable grounds to believe that Sandstorm is in default of securities legislation.

Canadian Holders should be aware that the Combination described in this Announcement may have tax consequences in Canada and should consult their own tax advisors to determine the particular Canadian tax consequences to them of the Combination in light of their particular circumstances, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

Forward-looking statements

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Combination, and other information published by Sandstorm and Mariana contain statements which are, or may be deemed to be, "forward-looking statements" or "forward-looking information" under applicable securities laws (collectively referred to as "**forward-looking statements**"). Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Sandstorm and Mariana about future events, and are therefore subject to risks and uncertainties which could

cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Combination on Sandstorm and Mariana, the expected timing and scope of the Combination, production forecasts, plans with respect to the JV interest, plans with respect to the Exploration Properties, estimates of mineral resources, statements with respect to the Hot Maden PEA and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Sandstorm and Mariana believe that the expectations reflected in such forward-looking statements are reasonable, Sandstorm and Mariana can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to consummate the Combination; the ability to obtain requisite shareholder and stock exchange approvals and the satisfaction of other Conditions on the proposed terms and schedule; the ability of Sandstorm and Mariana to successfully integrate their respective operations and retain key employees; the potential impact of the announcement or consummation of the Combination on relationships, including with employees, suppliers, customers and competitors; and changes in general economic, business and political conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Sandstorm nor Mariana, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including, but not limited to, the AIM Rules), neither Sandstorm nor Mariana is under any obligation, and Sandstorm and Mariana expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

With respect to statements on the Sandstorm Forecast, which is included for the purposes outlined herein, readers are cautioned that the information may not be appropriate for other purposes.

No profit forecasts or estimates or quantified financial benefits statement

Other than in respect of the Sandstorm Forecast, no statement in this Announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement and no statement in this Announcement should be interpreted to mean that earnings per Mariana Share or Sandstorm Share for the current or future financial years would necessarily match or exceed the respective historical published earnings per Mariana Share or Sandstorm Share or to mean that the Combined Group's earnings in the first twelve months following the Combination, or in any subsequent period, following the Combination would necessarily match, or be greater than or be less than, those of Mariana and/or Sandstorm for the relevant preceding financial period or any other period.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening

Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on website and SEDAR

A copy of this Announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Sandstorm's website at <http://www.sandstormgold.com> and Mariana's website at <http://www.marianaresources.com> by no later than 12 noon (London time) on the Business Day following this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated by reference and do not form part of this Announcement.

This Announcement will also be available on SEDAR under Mariana's profile at www.sedar.com.

Requesting hard copy documents

In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement by contacting RFC Ambrian Limited during business hours on +44 (0)203 440 6800 or by submitting a request in writing to RFC Ambrian Limited at Level 5, Condor House, 10 St Paul's Churchyard, London, EC4M 8AL. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. You may also request that all future documents, announcements and information to be sent to you in relation to the Combination should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Mariana Shareholders, persons with information rights and other relevant persons for the receipt of communications from Mariana may be provided to Sandstorm during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code:

- Mariana confirms that as at the date of this Announcement it has in issue and admitted to trading on AIM and TSXV 126,231,768 ordinary shares of 0.1p each (save for 1,977,812 Mariana Shares which have been issued and are expected to be admitted to trading on AIM and TSXV on or around 27 April 2017). The ISIN of the ordinary shares is GG00BD3GC324.
- Sandstorm confirms that as at the date of this Announcement it has in issue and admitted to trading on TSX and NYSE MKT 151,994,269 common shares of no par value. The ISIN of the common shares is CA80013R2063.
- Sandstorm confirms that as at the date of this Announcement it has in issue and admitted to trading on TSX 5,002,500 common share purchase warrants with an exercise price of US\$14.00 per common share that expire on 7 September 2017. The ISIN of the warrants is CA80013R1313.
- Sandstorm confirms that as at the date of this Announcement it has in issue and admitted to trading on TSX 5,043,900 common share purchase warrants with an exercise price of US\$4.00 per common share that expire on 3 November 2020. The ISIN of the warrants is CA80013R1644.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

Advisory

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

26 April 2017

**Recommended Combination
of
Mariana Resources Limited (“Mariana”)
and
Sandstorm Gold Ltd (“Sandstorm”)**

1 Introduction

The board of directors of Sandstorm and the Mariana Independent Directors are pleased to announce that they have reached agreement on the terms of a recommended share and cash acquisition by which the entire issued and to be issued ordinary share capital of Mariana that Sandstorm does not already own will be acquired by Sandstorm. It is intended that the Combination will be implemented by way of a court-sanctioned scheme of arrangement under Part VIII of the Companies (Guernsey) Law.

Sandstorm, together with its concert parties, is currently interested in 8,980,243 Mariana Shares, representing approximately 7.0 per cent. of the issued ordinary share capital of Mariana.

If successful, the Combination will result in Mariana Shareholders, together, owning approximately 19.0 per cent. of the share capital of the Combined Group, calculated by reference to the fully diluted issued share capital of Mariana net of Sandstorm’s interests in Mariana Shares and Mariana Warrants.

2 The Combination

Under the Scheme, which will be subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to be set out in the Scheme Document, Scheme Shareholders will receive:

for each Scheme Share	0.2573 New Sandstorm Shares
	and
	28.75 pence in cash

Based on the closing price of US\$4.04 per Sandstorm Share on NYSE MKT and a currency exchange rate of £0.7788 per US\$, on 25 April 2017 (being the last Business Day before the date of this Announcement), the terms of the Combination represent:

- a value of approximately 109.71 pence per Mariana Share;

- a value of approximately £166.85 million for Mariana's fully diluted ordinary share capital;
- a premium of approximately 84.38 per cent. to the closing price of 59.5 pence per Mariana Share on AIM on 25 April 2017 (being the last Business Day before the date of this Announcement); and
- a premium of approximately 88.30 per cent. to the 20-day VWAP per Mariana Share of 62.84 pence on AIM to 25 April 2017 (being the last Business Day before the date of this Announcement), based on the 20-day VWAP per Sandstorm Share of 348.16 pence on NYSE MKT to the same date and utilising daily close composite exchange rates.

If, after the date of this Announcement, any dividend and/or other distribution is announced, declared or paid in respect of the Mariana Shares, Sandstorm reserves the right to reduce the Consideration by an amount up to the amount of such dividend and/or distribution so announced, declared or paid.

3 Background to and reasons for the Combination

The Boards of Mariana and Sandstorm believe that the Combination will create a leading mid-tier streaming and royalty company, delivering significant benefits to the shareholders of the Combined Group. Sandstorm brings a strong production base, a quality development pipeline with compelling cash flow growth potential, a base of exploration assets that provide long-term optionality, a healthy balance sheet for continued growth and an experienced management team. The Mariana assets will complement Sandstorm's established Stream and Royalty Portfolio.

Strong production base

During the financial year ended 31 December 2016, Sandstorm reported sales of 49,731 attributable gold equivalent ounces from streams and royalties on 20 producing assets. The average cash cost per ounce of gold was US\$258 during the period resulting in cash operating margins of US\$996 per ounce. Based on Sandstorm's existing streams and royalties, attributable gold equivalent production for 2017 is forecasted to be between 45,000 and 55,000 attributable gold equivalent ounces from 20 producing assets, providing diversification benefits to shareholders. During the first quarter of 2017, Sandstorm sold approximately 15,500 attributable gold equivalent ounces, a record for the company. Sandstorm's production base is diverse by asset as well as geography, with an estimated breakdown of forecast gold equivalent production in 2019 by jurisdiction as follows: 46% North America, 44% South America, 10% Other.

High quality development pipeline

The addition of Hot Maden to the Combined Group is expected to improve the already high quality development pipeline in Sandstorm's Stream and Royalty Portfolio. Prior to completion of the Combination, the Stream and Royalty Portfolio includes 20 currently producing and 23 development-stage projects. Hot Maden would add an anchor asset to the development pipeline and transforms the potential future production growth for the Combined Group. Assuming completion of the Combination, the Combined Group is expected to realise attributable gold equivalent production by year as follows¹:

Calendar Year	Combined Group Attributable Gold Equivalent Production Estimate (ounces)
2017	45,000 – 55,000
2018	56,200

Calendar Year	Combined Group Attributable Gold Equivalent Production Estimate (ounces)
2019	61,600
2020	65,200
2021	98,400
2022	135,700
2023	129,400

1 Estimates of gold-equivalent production reflect metal price assumptions of US\$1,250 per ounce of gold, US\$18.00 per ounce of silver and US\$2.65 per pound of copper.

The attributable gold equivalent production of the Combined Group represents Sandstorm's estimates of gold equivalent production associated with the existing Stream and Royalty Portfolio plus the addition of gold equivalent production estimated from Hot Maden. In the case of the existing Stream and Royalty Portfolio, the figures represent estimated future production for each mine at which Sandstorm has a commodity stream or royalty based on public disclosure, technical reports and incorporating management estimates where appropriate. Information regarding the Hot Maden Project has been derived from the Hot Maden PEA and incorporating management estimates. The Hot Maden PEA is preliminary in nature as it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability, and as such there is no certainty that the preliminary assessment and economics will be realised.

Sandstorm believes that the addition of Hot Maden to the Combined Group will provide the potential to more than double attributable gold equivalent production once in full operation. It is estimated that full production may be achieved by 2022, with a half-year of production occurring as early as 2021 during the commissioning phase. Hot Maden is envisaged as a conventional underground mine and processing facility producing concentrates without the use of cyanide. The Hot Maden PEA released by Mariana (effective date of 1 March 2017) demonstrated robust estimated economics with an after-tax IRR in excess of 100% and all-in sustaining costs below US\$400 per ounce on a gold-equivalent basis (as referred to in the Mariana press release dated 17 January 2017). The high-grade nature of the orebody and the wide intercepts of mineralisation provide the potential for low-cost mining methods. Furthermore, the drilling conducted to date has only covered a portion of the total project area, providing for the potential for exploration success in the future. At present there are three drill rigs on site with a plan to complete 20,000 metres of exploration and infill drilling during 2017.

Sandstorm believes that converting the Hot Maden JV into a gold stream at the appropriate time would present the best opportunity to unlock the value of Mariana's minority incorporated JV interest for shareholders in the Combined Group. Gold stream and royalty companies typically trade at higher valuation multiples than mining companies, and the cash flow from Hot Maden would be expected to command a superior valuation as part of a diversified Stream and Royalty Portfolio within the Combined Group rather than within a junior mining company.

The operator of Hot Maden, Lidya, is an experienced Turkish company and is part of Çalık Holding, a Turkish conglomerate with several business lines including energy, telecommunication, finance, construction, textiles and mining. In the half-year ended 30 June 2016, Çalık Holding reported net income of approximately US\$228 million (665 million Turkish Lira converted at the average TRY/US\$ exchange rate of 2.92 TRY/US\$ during the six-month period ending 30 June 2016). Lidya is currently a joint-venture partner with Alacer Gold Corp.

on the producing Çöpler mine (80% Alacer, 20% Lidya) and the development-stage Gediktepe and Kartaltepe projects (both 50% Alacer, 50% Lidya) in Turkey.

Exploration optionality

Sandstorm's Stream and Royalty Portfolio includes 112 exploration stage assets and, among them, 26 are considered to be advanced-stage exploration projects. The royalties on the exploration properties provide shareholders of the Combined Group with meaningful optionality for future mineral discoveries. The addition of Mariana's Exploration Properties complements the exploration optionality in the Stream and Royalty Portfolio.

The Combined Group will not be an active exploration company and, therefore, after the Combination, Sandstorm intends to spin-out the Exploration Properties into a separate SpinCo, with the Combined Group retaining its royalty interests over the Exploration Properties together with equity in the SpinCo. Sandstorm intends that the SpinCo would seek external investment, as required, to fund future exploration costs, with a goal of allowing shareholders in the Combined Group to retain an interest in the Exploration Properties without the Combined Group being required to fund exploration expenses.

Financial strength and future growth

Sandstorm has a strong balance sheet with working capital of US\$23.8 million and no bank debt as of 31 December 2016. In addition, Sandstorm has a portfolio of equity and debt investments in other mining companies and a US\$110 million revolving line of credit. Sandstorm's investments and its access to the revolving line of credit, along with the free cash flow generated from the Stream and Royalty Portfolio, will be used along with Mariana's acquired cash balance to fund future stream and royalty acquisitions in order to continue growing and diversifying the Combined Group's asset base as well as funding its share of pro rata cash calls for the development of the Hot Maden asset.

Other benefits

As a junior mining company, and as a function of the subdued investor appetite during the last few years in the resource sector, Mariana has been unable to attract large institutional investors. Conversely, more than 50% of Sandstorm's investor base is made up of institutional investors and Sandstorm has averaged approximately US\$10 million in daily US\$ trading volume since January 2016.

With the addition of the Mariana assets to the Stream and Royalty Portfolio, the Combined Group expects to see increased institutional investor interest, improved liquidity and the potential for a lower cost of capital.

The Combined Group expects to realise cost saving synergies with elimination of ongoing listing fees associated with Mariana's listing on the TSXV and admission to trading on AIM. In addition, following any spin-out of the Exploration Properties, if the SpinCo were to be successful in raising external investment, the Combined Group would no longer be required to fund ongoing exploration costs associated with the Exploration Properties.

4 Recommendation of the Mariana Independent Directors

The Mariana Independent Directors, who have been so advised by RFC Ambrian as to the financial terms of the Combination, consider the Combination to be fair and reasonable. In providing their advice, RFC Ambrian have taken into account the commercial assessments of the Mariana Independent Directors. RFC Ambrian is providing independent financial advice to the Mariana Independent Directors for the purposes of Rule 3 of the Code.

The Mariana Independent Directors have also been advised by Raymond James Ltd. as to the financial terms and certain Canadian capital market aspects of the Combination.

Accordingly, the Mariana Independent Directors have unanimously approved the Combination and intend to recommend that Mariana Shareholders vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting as they have irrevocably undertaken to do in respect of their own beneficial holdings of, in aggregate, 905,050 Mariana Shares representing approximately 0.71 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).

In light of their ongoing participation in the Combined Group and the related remuneration and incentivisation arrangements referred to in paragraph 10 below, neither Glen Parsons nor Eric Roth, each of whom are Mariana Directors, have played any part in the consideration of the Combination or the recommendation of it by the Mariana Independent Directors.

Ron Ho, who is both a director of Mariana and Vice President, Finance of Sandstorm, has played no part in the consideration of the Combination or the recommendation of it by the Mariana Independent Directors.

Mustafa Aksoy, who is both a director of Mariana and a board member and managing director of Lidya, has played no part in the consideration of the Combination or the recommendation of it by the Mariana Independent Directors.

5 Background to and reasons for the recommendation of the Mariana Independent Directors

The Independent Directors of Mariana intend to recommend the Combination of Sandstorm and Mariana as it de-risks the Mariana Shareholders' exposure to a single development/production asset, whilst allowing exposure to a wider diverse portfolio of assets, through the stock component of the Combination. Mariana Shareholders will still retain significant exposure to the upside potential of its current assets, which as a result of the Combination should reduce the financing risk of development given the size and financial strength of Sandstorm.

The Consideration under the Combination is also at a premium to the current market price of Mariana Shares, as well as the recent historical performance.

The liquidity of Sandstorm Shares provide an opportunity to realise the value of the New Sandstorm Share Consideration Amount and, if Mariana Shareholders so choose, to benefit from any potential upside to Sandstorm's market value.

6 Irrevocable Undertakings

The Mariana Independent Directors have irrevocably undertaken to Sandstorm to vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting in respect of, in aggregate, 905,050 Mariana Shares representing approximately 0.71 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).

In addition to the irrevocable undertakings from the Mariana Independent Directors, Sandstorm has also received irrevocable undertakings from each of Australian Investors Pty Ltd and AngloGold Ashanti Holdings Plc to vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting in respect of, in aggregate, 8,718,089 Mariana Shares, representing approximately 6.80 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).

Sandstorm has therefore received irrevocable undertakings to vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting in respect of, in aggregate, 9,623,139 Mariana Shares representing, in aggregate, approximately 7.51 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement).

Further details of these irrevocable undertakings are set out in Appendix 3 to this Announcement. If the Combination is subsequently structured as a takeover offer, all the above undertakings will take effect as irrevocable undertakings to accept such offer.

Glen Parsons and Eric Roth have also irrevocably undertaken to Sandstorm to vote in favour of those resolutions to be proposed at the General Meeting on which they are entitled to vote in respect of, in aggregate, 986,621 Mariana Shares representing approximately 0.77 per cent. of the issued ordinary share capital of Mariana on 25 April 2017 (being the last Business Day prior to the date of this Announcement). As a consequence of the Retention Arrangements, Glen Parsons and Eric Roth will not vote on the resolution to approve the Scheme at the Guernsey Court Meeting.

Neither of Ron Ho or Mustafa Aksoy has given an irrevocable undertaking Sandstorm on the basis that: (i) Ron Ho is an employee of Sandstorm; and (ii) Mustafa Aksoy does not hold any Mariana Shares.

7 Information relating to Sandstorm

Introduction

Sandstorm is a public corporation incorporated under the laws of the province of British Columbia, Canada with its headquarters in Vancouver, British Columbia. The Sandstorm Shares are currently listed on the TSX (symbol: SSL) and the NYSE MKT (symbol: SAND). Sandstorm has two series of publicly traded warrants that are listed for trading on the TSX (symbols: SSL.WT.B and SSL.WT). Sandstorm has a basic market capitalization of approximately US\$614.06 million based upon the closing price of US\$4.04 for a Sandstorm Share on the NYSE MKT on 25 April 2017 (the last Business Day prior to the date of this Announcement).

As at 31 December 2016, Sandstorm had total assets of US\$534.9 million, including cash and cash equivalents of US\$21.4 million, investments of US\$61.3 million and loans receivable of US\$23.4 million, shareholders' equity of US\$527.3 million and Sandstorm had no outstanding third party debt (other than accounts payable in the ordinary course of business) with additional available liquidity from its US\$110 million revolving credit facility.

Sandstorm provides financing to mining companies through stream and royalty agreements. Stream and royalty finance involves Sandstorm making an upfront payment to a mining partner that is in need of capital to build their mine, refinance their obligations, complete an acquisition or for various other reasons. In exchange for that upfront payment, Sandstorm receives the right to purchase a percentage of the gold produced from the mine (in the case of a stream) or a portion of the revenue generated from the mine (in the case of a royalty). Since 2009, Sandstorm has compiled a portfolio of 155 streams and royalties, of which 20 of the underlying mines are currently producing. Sandstorm plans to continue growing the company through accretive acquisitions of gold streams and royalties.

Financial Highlights

Highlights for the year ending 31 December 2016:

- Attributable gold equivalent ounces sold of 49,731 ounces (FY 2015 - 45,146 ounces);

- Revenue of US\$62.4 million (FY 2015 - US\$52.7 million);
- Average cash cost per attributable gold equivalent ounce of US\$258 resulting in cash operating margins of US\$996 per ounce (FY 2015 - US\$300 per ounce and US\$867 per ounce respectively);
- Operating cash flow of US\$39.0 million (FY 2015 - US\$30.8 million);
- Net income of US\$25.3 million; and
- The acquisition of the Teck Royalty Package for consideration of US\$16.8 million, of which US\$1.4 million was paid in cash and US\$15.4 million in Sandstorm Shares. The transaction provides asset diversification, immediate cash flow and significant cash flow growth potential.

Sandstorm's attributable gold equivalent ounces sold during the 5-year period ending 31 December 2016 is shown below:

Calendar Year	Attributable Gold Equivalent Production (Ounces)
2012	33,514
2013	42,709
2014	44,821
2015	45,146
2016	49,731

The following table summarizes the ounces of gold sold and the respective revenue received by Sandstorm from each of its producing gold interests for the year ended 31 December 2016:

Property	Gold Equivalent Ounces Sold	Sales & Royalty Revenue (US\$000s)
Bachelor Lake Mine	7,358	9,183
Black Fox Mine	4,500	5,617
Chapada Mine	4,839	6,075
Diavik Mine	4,669	5,856
Karma	3,334	4,272
Ming Mine	1,586	2,025
Santa Elena	9,419	11,772
Yamana Silver Stream	2,323	2,926
Other	11,703	14,645
Total	49,731	62,371

During the year ending 31 December 2016, Sandstorm reported record attributable gold equivalent production during the fourth quarter and twelve months of 2016, translating to significant growth in revenue. Revenue for the full 2016 year was up 18% when compared to

2015 and revenue during the fourth quarter increased by 67% when compared to Q4, 2015. The marked increase in Q4 was a result of a 13% rise in the average realized selling price of gold and a 48% increase in attributable gold equivalent ounces sold. Contributions from the Yamana silver stream, Chapada copper stream, Teck Royalty Package and Karma gold stream were the main drivers of the growth in gold equivalent ounces, all of which were not part of the asset mix in 2015. Precious metal streams and royalties (including diamonds) accounted for 82% of Sandstorm's revenue during the year, with the other 18% coming primarily from base metal projects. During the first quarter of 2017 (three-month period ending 31 March 2017) Sandstorm sold approximately 15,500 attributable gold equivalent ounces, which is a quarterly record high for Sandstorm.

Track Record of Growth

Over the past two years (from April 2015), Sandstorm has completed acquisitions of 103 new streams and royalties as described below:

Closing Period	Counterparty	Transaction Value (US\$ millions)	Assets Acquired
April 2015	Gold Royalties Inc.	\$4.8	13 royalties
June 2015	Pacific Ridge Exploration Ltd.	\$0.5	3 royalties
October 2015	Yamana Gold Inc.	\$152	2 streams and 1 royalty
October 2015	Alexandria Minerals Corp.	\$1	2 royalties
January 2016	Teck Resources Ltd.	\$17	52 royalties
February 2016	Alto Parana Royalty	\$nil	1 royalty
April 2016	Erdene Resource Development Corp.	\$1.2	2 royalties
September 2016	Norilsk Nickel	\$3.5	5 royalties
January 2017	Condor Resources Inc.	\$0.4	8 royalties
January 2017	Kivalliq Energy Corp.	\$0.7	1 royalty
March 2017	Pembroke Copper Corp.	\$0.4	10 royalties
March 2017	Tower Resources Ltd.	\$0.4	3 royalties

2017 Outlook

Based on Sandstorm's existing gold streams and royalties, attributable gold equivalent production for 2017 is forecast to be between 45,000 and 55,000 attributable gold equivalent ounces.

The Sandstorm Forecast in Appendix 4 of this Announcement sets out Sandstorm's operating cash flow after tax (and before corporate overhead) forecasts to 2021.

8 Information relating to Mariana

Introduction

Mariana is a non-cellular company incorporated under the laws of Guernsey with its registered office in Guernsey. Mariana is not regulated by the Guernsey Financial Services Commission. The Mariana Shares are currently admitted to trading on AIM (symbol: MARL) and the TSX-Venture (symbol: MARL). Mariana has a market capitalisation of approximately £76.28 million based upon the closing price of 59.5 pence per Mariana Share on AIM on 25 April 2017, being the last Business Day before this Announcement.

As at 31 December 2016, Mariana had total assets of £13.6 million, cash and cash equivalents of £5.2 million and shareholders' equity of £12.7 million.

Mariana is an exploration and development company with an extensive portfolio of gold, silver, and copper projects in Turkey, South America and Côte d'Ivoire. Mariana's most advanced asset is the Hot Maden gold-copper project in northeast Turkey, which is a joint venture with Turkish partner Lidya Madencilik (30% Mariana and 70% Lidya). The JV holds 1 operating licence and 3 exploration licences comprising a total land area of 73.9 km². On 17 January 2017, Mariana released the results of the Hot Maden PEA which demonstrated positive potential economics (after-tax NPV and IRR of US\$1.37 billion and 153%, respectively) based on a development scenario incorporating a 1.0 Mtpa underground mining operation and processing facility for the production of two concentrates (a copper-gold concentrate and a gold-pyrite concentrate).

The Hot Maden PEA was based on the June 2016 mineral resource estimate completed by RPM, which calculated resources (100% basis) by category of:

- Indicated (Main Zone): 7.1 Mt grading 12.2 g/t gold and 2.3% copper for contained metal of 2.79 Moz of gold and 166 kt of copper (3.43 Moz of gold equivalent).
- Inferred (Main Zone): 0.7 Mt grading 2.7 g/t gold and 0.9% copper for contained metal of 0.06 Moz of gold and 7 kt of copper (0.09 Moz of gold equivalent).
- Inferred (Southern Zone): 1.4Mt grading 7.2 g/t gold and 0.7% copper for contained metal of 0.31 Moz of gold and 10 kt of copper (0.35 Moz gold equivalent).

Elsewhere in Turkey, Mariana holds a 100% interest in the Ergama gold-copper project.

On 7 October 2016, Mariana announced the signing of a binding term sheet to acquire an indirect 80% interest in Côte d'Ivoire-focused private exploration company Awalé. Through the transaction Mariana will gain an immediate foothold in an established exploration portfolio with known gold mineralisation and artisanal gold workings, and which comprises i) 3 granted contiguous licences (1,191 km²) in the Bondoukou area, and ii) 4 licences under application (1,593 km²) in both the Bondoukou and Abengourou areas. The Bondoukou concessions lie along the southwestern extension of the Birimian Bole-Nangodi greenstone belt in adjacent Ghana, host to a number of high grade orogenic gold deposits including Namdini (owned by Cardinal Resources) and Youga (owned by MNG/Endeavor).

In southern Argentina, Mariana's core gold-silver projects are Las Calandrias (100%), Sierra Blanca (100%), Los Cisnes (100%), and Bozal (100%). These projects are part of a 1,000+ km² land package in the Deseado Massif epithermal gold-silver district in mining-friendly Santa Cruz Province.

In Suriname, Mariana has a direct holding of 10.2% of the Nassau Gold project. The Nassau gold project is a 280 km² exploration concession located approximately 125 km SE of the capital Paramaribo and immediately adjacent to Newmont Mining's 4.2Moz gold Merian project.

Mariana is focusing on acquiring new opportunities which complement its current portfolio.

Hot Maden Selected Drill Results

A total of 107 drill holes have been completed and reported on the Hot Maden project, a selection of drill results is presented below demonstrating the high-grade nature of the orebody and the large widths of intercepts:

Hole #	From (m)	To (m)	Intercept (m)	Au Grade (g/t)	Cu Grade (%)
HTD-04	25.0	128.0	103.0	9.0	2.17
HTD-05	150.0	163.0	13.0	88.0	2.46
HTD-15	216.0	333.3	117.3	13.9	2.04
HTD-18	292.0	400.2	108.2	3.0	1.35
HTD-34	55.0	126.0	71.0	32.7	1.90
HTD-35	46.8	110.4	63.6	14.5	3.40
HTD-60	167.0	250.3	83.3	15.9	1.57
HTD-62	36.5	132.0	95.5	32.1	3.30
HTD-65	330.5	417.0	86.5	3.4	1.44
HTD-71	210.0	279.6	69.6	62.7	2.68
HTD-72	180.5	215.0	34.5	19.4	1.31
HTD-77	96.0	186.0	90.0	22.6	4.39
HTD-78	294.0	373.0	79.0	14.3	1.59
HTD-85	209.4	270.0	60.6	82.2	1.44
HTD-88	326.0	400.0	74.0	3.0	1.57
HTD-88	422.0	451.0	29.0	0.3	1.31

Hot Maden Preliminary Economic Assessment

The Hot Maden PEA was prepared in accordance with NI 43-101 by independent mining consultant firm RPM and is available on Mariana's SEDAR profile at www.sedar.com. Readers should refer to the Hot Maden PEA for additional information, including data verification and exploration information.

Note that the Hot Maden PEA is preliminary in nature as it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability, and as such there is no certainty that the preliminary assessment and economics will be realised.

The JV will continue to work on the technical studies and optimisations required to complete the PFS, which is anticipated to be completed during Q4 2017. The PFS will provide higher confidence level mine designs, mineral processing scenarios, and costing estimates for the Hot Maden project. Therefore, the result could change over time based on the updated prices, resource and assumptions.

Summary of the Hot Maden PEA (100% Project Basis)

- Conceptual development for Hot Maden assumes an all underground mining operation from a decline and utilizing mechanized transverse and longitudinal long hole open stoping with engineered fill mining methods. Mining and processing rates of 0.8 Mtpa, 1.0 Mtpa, and 1.2 Mtpa were considered, with the base case mining scenario being established at 1.0 Mtpa;
- Total metal contained in ore processed of 2.67 Moz of gold and 142 kt of copper over a total project life of 9 years for the base case mining scenario;
- Metallurgical test work, through flotation and concentration, completed to date on the high grade Main Zone mineralisation has indicated high recoveries of both gold and copper. A variable processing recovery, dependent on grade, has been applied in the PEA resulting in a project weighted average recovery of 88% of gold and 90% of copper;
- Total metal recovered to concentrates of 2.37 Moz of gold and 126 kt of copper;
- Post-tax NPV for the base case mining scenario (1.0 Mtpa) of US\$1.37 billion excluding pre-development exploration costs (8% discount rate);
- Post-tax IRR for the base case mining scenario of 153% excluding acquisition costs; and
- Total capex (initial + sustaining) of US\$261 million.

PEA Parameters

Key parameters utilized in the Hot Maden PEA are indicated in the table below:

Hot Maden PEA	Base Case
Mining Method	Underground
Underground Minable Ore	7.4Mt grading 11.25 g/t gold and 1.92% copper
Annual Throughput	Base case established at 1.0 Mtpa
Project Life of Mine	9 years
Metal Prices	US\$1,250 per ounce gold and US\$2.75 per pound copper
Average Recoveries	88% of gold and 90% of copper
Contained Metal	2.67 Moz of gold and 142 kt of copper
Recovered to Concentrates	2.37 Moz of gold and 126 kt of copper
Payable Metal	2.03 Moz of gold and 117 kt of copper
Upfront Capex	US\$169 million
LOM Project Capex	US\$261 million
Mining Operating Costs	US\$31.05 per tonne processed
Processing Operating Costs	US\$15.13 per tonne processed
G+A Operating Costs	US\$10.18 per tonne processed
Total Cash Costs	US\$303 per ounce gold-equivalent
All-in Sustaining Costs	US\$338 per ounce gold-equivalent
Royalties	2.60% State Royalties, 2.00% NSR to Sandstorm
Corporate Tax Rate	20.0%

Geology and Mineral Resources

The high grade gold-copper mineralisation at Hot Maden occurs within a N-NE-trending fault zone and is sub-vertical in nature. At least two styles of gold-copper mineralisation are evident within the Main Zone: i) the predominant, multiphase quartz-sulphide (pyrite-chalcopryrite) +/- hematite/jasperoid breccia bodies, and ii) semi-massive to massive sulphides (pyrite-chalcopryrite). Host rocks are dominantly andesites and andesitic breccias. Overall, the highest-grade gold mineralisation (typically >15 g/t Au but locally >100 g/t Au) at Hot Maden lies along the eastern margin of the Main Zone. Drilling is ongoing but the current dimensions of the Main Zone are a strike extent of 300m from north to south, a true width of between 40m and 70m, and a vertical extension from near surface to >300m depth. Stratabound Zn(-Pb) (sphalerite-galena) mineralisation also flanks the Main Zone to the east and locally to the west. In the new Southern Vein Field discovery, host rocks are dominantly dacitic breccias and gold-copper mineralisation is associated with quartz-sulphide-bearing veins and vein breccias.

Initial exploration drilling has commenced in the old Russian mining area, south of the Southern Vein Field.

The Hot Maden PEA was based on the June 2016 mineral resource estimate prepared by RPM, which used 52 diamond drill holes for a total of 14,862m (3,748m within wireframes) and included contributions from both the Main Zone and a new Southern Discovery, comprising (on a 100% basis):

Hot Maden Mineral Resource Estimate – Main Gold-Copper Zone (2g/t AuEq Cut-Off)

Indicated Mineral Resource								
Domain	Tonnes (kt)	Au (g/t)	Cu (%)	Zn (%)	AuEq (g/t)	Au (koz)	Cu (kt)	AuEq (koz)
Main Zone LG	463	1.1	1.1	0.3	2.4	17	5	36
Main Zone HG	4,501	3.9	1.9	0.2	6.3	570	87	908
Main Zone UHG	2,086	32.7	3.5	0.1	36.9	2,195	73	2,476
Mixed Gold-Zinc Zone	17	7.5	3.1	3.6	11.2	4	1	6
Peripheral Lodes	60	2.1	0.4	0.4	2.5	4	–	5
Total	7,127	12.2	2.3	0.2	15.0	2,790	166	3,431

Inferred Mineral Resource								
Domain	Tonnes (kt)	Au (g/t)	Cu (%)	Zn (%)	AuEq (g/t)	Au (koz)	Cu (kt)	AuEq (koz)
Main Zone LG	395	1.7	0.9	0.03	2.8	21	4	35
Main Zone HG	31	3.9	1.6	0.1	5.8	4	–	6
Main Zone UHG	6	39.1	2.1	0.01	41.6	7	–	8

Hot Maden Mineral Resource Estimate – Main Gold-Copper Zone (2g/t AuEq Cut-Off)

	Indicated Mineral Resource							
Mixed Gold-Zinc Zone	4	1.7	0.4	2.4	2.2	–	–	–
Peripheral Lodes	282	3.2	0.9	0.1	4.3	29	2	38
Total	718	2.7	0.9	0.1	3.8	62	7	88

Hot Maden Mineral Resource Estimate – Southern Gold-Copper Zone (2g/t AuEq Cut-Off)

	Inferred Mineral Resource							
Domain	Tonnes (kt)	Au (g/t)	Cu (%)	Zn (%)	AuEq (g/t)	Au (koz)	Cu (kt)	AuEq (koz)
South Zone LG	396	2.8	0.7	–	3.6	35	3	46
South Zone HG	583	5.3	0.7	–	6.1	98	4	114
South Zone UHG	224	22.2	1.0	–	23.4	160	2	169
Mixed Gold-Zinc Zone	44	9.0	1.0	3.2	10.2	13	–	15
Peripheral Lodes	104	1.9	0.3	–	2.2	6	–	7
Total	1,352	7.2	0.7	0.1	8.1	313	10	351

In the above resource tables Au Equivalence (**AuEq**) was calculated using a 100 day moving average of US\$1,215/ounce for Au and US\$2.13/pound for Cu as of 29 May 2016. No adjustment has been made for metallurgical recovery or net smelter return as these remain uncertain at this time. Based on grades and contained metal for Au and Cu, it is assumed that both commodities have reasonable potential to be economically extractable. The formula used for Au equivalent grade is: $\text{AuEq g/t} = \text{Au} + [(\text{Cu}\% \times 22.0462 \times 2.13) / (1215/31.1035)]$ and is not adjusted for assumed metallurgical recovery. Au equivalent ounces are calculated by multiplying Mineral Resource tonnage by Au equivalent grade and converting for ounces. The formula used for Au equivalent ounces is: $\text{AuEq Oz} = [\text{Tonnage} \times \text{AuEq grade (g/t)}] / 31.1035$.

Project Economics Summary

Mining Scenario	Throughput	Total Capex	After-Tax NPV8%	After-Tax IRR	Payback (incl. dev.)	Project Life
Conservative	0.8 Mtpa	US\$ 251M	US\$ 1.28B	130%	2.2	11
Base Case	1.0 Mtpa	US\$ 261M	US\$ 1.37B	153%	2.1	9

Bondoukou Project, Côte d'Ivoire

Mariana's acquisition of an 80% interest in Awalé in October 2016 established a presence in Côte d'Ivoire in a region which hosts one of the largest known prospective underexplored greenstone belts in West Africa. The exploration portfolio targets the eastern border of the country and comprises:

- 3 granted contiguous licences covering 1,191km² in the Bondoukou area, and
- 4 licences under application covering 1,593km² in both the Bondoukou and Abengourou area.

Mariana's initial focus will be on the Bondoukou Est concession, where high grade gold mineralization (up to 36 g/t Au from initial surface sampling) occurs within a sheeted quartz vein complex that is located at the contact between a zoned granitoid intrusion and the host meta-volcanic and meta-sedimentary rocks. Artisanal miners are currently active at Bondoukou Est and are undertaking shallow mining (generally up to 30m depth) from higher grade quartz veins that lie within a broadly NW-SE-trending mineralized corridor interpreted to have a strike extent of 18 km. Subsequent field activities will focus on other artisanal workings within the remainder of the Bondoukou Est concession, as well as workings in the Bondoukou Nord and Nord Est concessions.

Ergama Project, Turkey

The 100% owned Ergama project licence in Balıkesir province, western Turkey, covers an area of 21.6 km², and is located 90km SE of Teck-Pilot Gold's Halilaga gold-copper project in the highly mineralised Biga Peninsula, and 230 km WNW of Eldorado Gold's Kisladağ gold mine (2016 production of 211,000 oz gold).

On 29 November 2016, Mariana commenced the drilling of an initial seven hole diamond drill program being undertaken by drill contractor Ortadoğu Drilling. As at 14 February 2017, three of the seven proposed drill holes (ERD-01 to ERD-03, for a total of 1,522m) had been completed, with assays having now been received for the first two holes. Targets to be tested in this initial drill program include the northern margins of two porphyry gold-copper targets (the Main Porphyry Target and Porphyry Target B), in addition to a high grade, vein / fault-hosted epithermal gold-silver target.

Intercepts from ERD-01 and ERD-02 include:

Drill Hole	From (m)	To (m)	Intercept (m)	Au (g/t)	Cu (%)	Comments
ERD-01	43.8	109.8	66.0	0.22	<0.1	Phyllic altered andesite / diorite porphyry
	117.8	205.8	88.0	0.19	<0.1	
	215.8	237.8	22.0	0.25	<0.1	
	279.8	285.8	6.0	0.20	<0.1	
	317.8	329.8	12.0	0.20	<0.1	
	373.8	383.8	10.0	0.21	<0.1	
ERD-02	57.0	198.0	141.0	0.23	<0.1	Phyllic

Drill Hole	From (m)	To (m)	Intercept (m)	Au (g/t)	Cu (%)	Comments
	226.0	244.0	18.0	0.18	<0.1	altered andesite / diorite porphyry
	274.0	330.0	56.0	0.22	<0.1	
	340.0	378.0	38.0	0.15	<0.1	
	470.0	626.4	156.4	0.25	<0.1	
Including	570.0	626.4	56.4	0.33	0.12	

The drilling completed to date at Ergama appears to confirm a conceptual model of a porphyry-style gold-copper system underlying, and slightly offset from, an essentially barren quartz-alunite (+/-clay) "lithocap". Drill holes ERD-01 and ERD-02 are the first holes to test this model and, whilst initial results have been positive, both the observed hydrothermal alteration assemblages and general increase in gold-copper grades towards the south are suggesting that the key potassic zone (and likely the most metal-rich part of the system) is located to the south of current drilling. Permitting of drill holes in this area is currently in progress, with drilling expected to be undertaken as soon as the permits are granted.

Argentina Assets

The Las Calandrias project is currently Mariana's most advanced exploration asset in Argentina. Initial exploration in 2008 led to the Calandria Sur discovery in 2009. The Calandria Sur deposit represents the first bulk tonnage epithermal (rhyolite dome hosted) gold-silver discovery in the Deseado Massif. High grade epithermal gold-silver mineralization has also been delineated in the Calandria Norte vein / breccia system. In 2011, Mariana reported the following maiden global mineral resource estimate for the Las Calandrias project:

- Indicated: 11.8 Mt grading 1.0 g/t gold and 17.4 g/t silver for contained metal of 381,000 oz of gold and 6.6 Moz of silver.
- Inferred: 0.9 Mt grading 0.9 g/t gold and 5.2 g/t silver for contained metal of 25,900 oz of gold and 144,000 oz of silver.

This maiden resource consisted of contributions from both the bulk tonnage / disseminated Calandria Sur deposit and the high grade Calandria Norte vein / breccia system (162,000 t grading 9.35 g/t gold). Ongoing field activities are focused on deep sensing geophysics and the evaluation of 4 high grade gold-silver vein / breccia systems located in the vicinity of the Calandria Norte vein (the La Morena, El Nido Norte, Las Calandrias Feeders, and Refugio target areas).

The Sierra Blanca project is located in the western portion of the Deseado Massif. Mariana has been focused on the identification and delineation of high grade gold-silver shoots within the 22 km strike extent of the poorly explored, intermediate sulphidation epithermal vein system. Exploration to date has identified bonanza grade silver in the oxidized / supergene enriched central portion of the Chala vein, with assays from channel sampling attaining up to 7,600 g/t Ag and 25.7 g/t Au. An internal resource has been achieved with expansion potential.

The Los Cisnes project is a prospect that was generated from Mariana's regional greenfield exploration in 2012 which was focused on rhyolite dome potential in the eastern Deseado Massif. The project is located approximately 120 km SSE of Las Calandrias and 75 km SW of Yamana's Cerro Moro project. The El Brio target is a 700m long vein / breccia zone up to 3m in width, with 9 surface samples returning grades between 31 and 3,849 g/t silver. The El Solar

target is a Calandrias-style rhyolite dome hosted system with bulk tonnage potential, with float samples returning 0.5 – 3.4 g/t gold.

9 Financing

The cash consideration payable under the terms of the Combination will be funded from existing cash resources available to Sandstorm, including funds which have been drawn down under Sandstorm's existing US\$110 million revolving credit facility.

KPMG is satisfied that sufficient resources are available to Sandstorm to satisfy in full the cash consideration payable to Scheme Shareholders under the terms of the Combination.

10 Directors, management and employees

Sandstorm recognizes the skills, technical ability and industry knowledge and experience of the Mariana Board, management and employees and in particular acknowledges the valuable work that each has performed to advance the Hot Maden project. Accordingly, Sandstorm expects that certain members of Mariana's management will continue with the development of the Combined Group.

Following completion of the Combination, a thorough assessment of the available skill sets of Mariana's employees will be undertaken and where practical, and at management's discretion, employees will be incorporated into the enlarged Sandstorm team. To the extent this is not possible, this may result in redundancies for those employees not incorporated into the Combined Group. Sandstorm confirms that, following implementation of the Combination, the existing contractual and statutory employment rights of all Mariana employees will be safeguarded.

On completion of the Combination, Nolan Watson will be the President and Chief Executive Officer of the Combined Group and Glen Parsons will be manager of the Exploration Properties. The Mariana Directors have agreed to resign from the Mariana Board subject to, and with effect from, the Scheme becoming Effective. The Mariana Directors will each receive accrued fees, payment for notice periods and expenses due under their respective letters of appointment, in each case in compensation for loss of office.

In order to drive value from the Combination, Sandstorm has agreed to the following retention arrangements in respect of each of Glen Parsons and Eric Roth (the "**Retention Arrangements**"):

- Glen Parsons will, upon the Effective Date, receive an immediate payment of US\$750,000 in return for agreeing to remain with the Combined Group on a full-time basis for at least 12 months, plus:
 - a bonus payment of US\$375,000 to be made upon the successful completion of a sale or spin-out transaction involving the exploration properties in Argentina; and
 - a bonus payment of US\$375,000 to be made upon the successful completion of a sale or spin-out transaction involving the exploration properties in Côte d'Ivoire,provided in each case that he is still with the Combined Group at the relevant time; and
- Eric Roth will, upon the Effective Date, receive an immediate payment of US\$375,000 in return for agreeing to remain with the Combined Group on a part-time consultancy contract for at least 12 months, plus:

- a bonus payment of US\$187,500 to be made upon the successful completion of a sale or spin-out transaction involving the exploration properties in Argentina; and
- a bonus payment of US\$187,500 to be made upon the successful completion of a sale or spin-out transaction involving the exploration properties in Côte d'Ivoire,

provided in each case that he is still with the Combined Group at the relevant time.

The Combination is subject to, among other things, the approval by the independent Mariana Shareholders of the Retention Arrangements. RFC Ambrian consider the Retention Arrangements to be fair and reasonable as far as the independent Mariana Shareholders are concerned.

Sandstorm considers the Retention Arrangements to be critical to the success of the Combination and, therefore, if the independent Mariana Shareholders do not pass the relevant resolution at the General Meeting approving those arrangements, Sandstorm may (at its absolute discretion) seek to invoke Condition A6 (which appears in Appendix 1 to this Announcement), which, with the consent of the Panel, would result in the Combination being withdrawn.

Other than as set out elsewhere in this Announcement, Sandstorm has no current plans to change the locations of Mariana's places of business or to redeploy any of Mariana's fixed assets.

11 Mariana Employee Equity Plans

Participants in the Mariana Employee Equity Plans will be contacted separately regarding the effect of the Combination on their rights (if any) and appropriate proposals will be made to such participants in due course. Further details of these proposals will be set out in the Scheme Document and in separate letters to be sent to participants in the Mariana Employee Equity Plans.

The right to vote in respect of the Scheme will extend to any Mariana Shares which are unconditionally issued before the Scheme Voting Record Time as a result of the exercise of any outstanding rights under the Mariana Employee Equity Plans.

12 Mariana Warrants

The right to vote in respect of the Scheme (and the entitlement to receive the Consideration under the Scheme) will extend to any Mariana Shares which are unconditionally issued before the Scheme Voting Record Time as a result of the valid exercise of any existing Mariana Warrants.

If Mariana Warrant Holders validly exercise their subscription rights before the Scheme Record Time, they will be treated as Scheme Shareholders and receive cash and shares under the terms of the Scheme.

Mariana will seek shareholder approval at the General Meeting for amendments to the Articles so that if holders of Mariana Warrants exercise their subscription rights after the Scheme Record Time, the Mariana Shares that would have been issued to them will automatically be acquired by Sandstorm and, in return, they would receive Sandstorm Shares, the number of which will be determined based on the relative values of the Consideration and the Sandstorm Shares as at the date of this Announcement, as set out in paragraph 2 (*The Combination*) of this Announcement.

Holders of 2015 Warrants are reminded that the subscription period under the 2015 Warrants expires at 5pm UK time on 27 April 2017 and the 2015 Warrants will be incapable of exercise after that date. The subscription period under the 2016 Warrants expires on 4 May 2018.

Mariana Warrant Holders will be contacted separately regarding the effect of the Combination on their rights under the Mariana Warrant Instruments. Further details will be set out in the Scheme Document. Mariana Warrant Holders needing advice should consult an independent financial adviser and/or independent legal adviser.

The Mariana Independent Directors each hold 2015 Warrants over a combined total of 81,000 Mariana Shares. The Mariana Independent Directors intend to exercise such 2015 Warrants in full ahead of the expiry of the subscription period on 27 April 2017.

13 Dividends and Sandstorm Dividend Policy

To date, no dividends have been paid by Sandstorm on Sandstorm Shares and Sandstorm may not declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of Sandstorm's Board of Directors after taking into account many factors including Sandstorm's operating results, financial condition and current and anticipated cash needs.

14 Disclosure of interests in Mariana relevant securities

Sandstorm holds 8,980,243 Mariana Shares, representing approximately 7.0 per cent. of the issued ordinary share capital of Mariana, and 2016 Warrants over a further 4,490,122 Mariana Shares. The strike price of the 2016 Warrants held by Sandstorm is 25 pence and the subscription period expires on 6 May 2018.

David De Witt (Non-Executive Chairman of Sandstorm), together with his spouse, holds 297,585 Mariana Shares, representing approximately 0.2 per cent. of the issued ordinary share capital of Mariana, and 2016 Warrants over a further 475,893 Mariana Shares.

Family members of Nolan Watson (President and Chief Executive of Sandstorm) collectively hold 611,578 Mariana Shares, representing approximately 0.5 per cent. of the issued ordinary share capital of Mariana, and 2016 Warrants over a further 713,839 Mariana Shares. Dana Watson has undertaken to donate to charity an amount equivalent to the difference in the value of her Mariana Shares and 2016 Warrants before and after this Announcement, to be calculated by reference to the closing prices per Mariana Share on AIM on 25 April 2017 (being the last Business Day before the date of this Announcement) and on the date of this Announcement.

Mary Little (Independent Director of Sandstorm) holds 500 Mariana Shares, representing approximately 0.0004 per cent. of the issued ordinary share capital of Mariana.

Sandstorm, together with its concert parties, is therefore interested in an aggregate of 9,889,906 Mariana Shares, representing approximately 7.71 per cent. of the issued ordinary share capital of Mariana and 2016 Warrants over a further 5,679,854 Mariana Shares.

Save for those interests, neither Sandstorm, its concert parties nor, so far as Sandstorm or its directors are aware, any other person acting in concert with Sandstorm, has any interest in or right to subscribe for Mariana relevant securities.

15 Structure of the Combination

15.1 Terms and conditions

Appendix 1 to this Announcement sets out the Conditions and further terms to which the Combination will be subject, including details of requisite regulatory approvals.

15.2 Scheme of Arrangement

It is intended that the Combination will be implemented by way of a court-sanctioned scheme of arrangement between Mariana and the Scheme Shareholders under Part VIII of the Companies (Guernsey) Law (although Sandstorm reserves the right to elect to implement the Combination by way of an Offer, subject to Panel consent and to the terms of the Co-operation Agreement). The procedure involves an application by Mariana to the Guernsey Court to convene the Guernsey Court Meeting to approve the Scheme and upon approval an application to the Guernsey Court to sanction the Scheme and to confirm the transfer of all the Scheme Shares to Sandstorm, in consideration for which Scheme Shareholders who are on the register of members of Mariana at the Scheme Record Time will receive the Consideration (on the basis described in paragraph 2 above). For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10), Mariana will inform the Guernsey Court prior to the Scheme Court Hearing that its sanctioning of the Scheme will be relied upon by Sandstorm as an approval of the Scheme following a hearing on its substantive and procedural fairness to Mariana Shareholders with respect to the issuance of New Sandstorm Shares to US Holders.

To become Effective, the Scheme requires, among other things, the approval of a majority in number of the Scheme Shareholders present and voting in person or by proxy at the Guernsey Court Meeting, representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders, together with the sanction of the Guernsey Court and the passing of any additional resolutions necessary to implement the Scheme at the General Meeting. In addition, the Scheme may require the approval of a majority of the minority outstanding Mariana Shares as required under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. The Scheme will only become Effective if it is sanctioned by the Guernsey Court.

The Scheme can only become Effective in accordance with its terms if all the Conditions have been satisfied or, where relevant, waived. Upon the Scheme becoming Effective, it will be binding on Mariana and all Scheme Shareholders irrespective of whether or not they attended or voted at the Guernsey Court Meeting or the General Meeting.

The Combination will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the provisions of the Code, by no later than the Long Stop Date or such later date (if any) as Sandstorm and Mariana may, with the consent of the Panel, agree and (if required) the Guernsey Court may allow.

15.3 Publication of the Scheme Document

It is expected that the Scheme Document will be sent to Mariana Shareholders as soon as practicable and, in any event, within 28 days of this Announcement (unless the Panel agrees otherwise).

15.4 Delisting and Cancellation of Trading

It is intended that dealings in Mariana Shares will be suspended at 5.00 p.m. London time on the Business Day prior to the Effective Date. It is further intended that applications will be made to (i) cancel trading in Mariana Shares on AIM and (ii) delist the Mariana Shares from the TSXV such cancellations and delistings in each case to take effect on or as soon as practicable following the Effective Date.

It is also expected that Mariana will make an application to certain Canadian securities commissions after the Effective Date to cease to be a reporting issuer in Canada.

15.5 Indicative Timing

The timing of implementation of the Combination will be dependent upon a number of factors including availability of the Guernsey Court and receipt of regulatory approvals. It is expected that the Scheme Document, containing further information about the Combination and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be published as soon as practicable and, in any event, within 28 days of this Announcement (unless the Panel agrees otherwise). An expected timetable of principal events will be included in the Scheme Document.

16 Listing, dealings and settlement

Applications will be made to the TSX and the NYSE MKT for the New Sandstorm Shares to be listed for trading. The decision on such listings is at the sole discretion of the TSX and NYSE MKT respectively. It is expected that such listings will become effective and that dealings for normal settlement in the New Sandstorm Shares will commence shortly after the Scheme becomes Effective.

17 Overseas shareholders

The availability of New Sandstorm Shares under the Combination, and the distribution of this Announcement to persons who are not resident in the UK may be affected by the laws of the relevant jurisdiction in which they are located. Such persons should inform themselves of, and observe any applicable legal or regulatory requirements of, their jurisdiction. Mariana Shareholders who are in doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

None of the securities to be issued pursuant to the Scheme have been or will be registered under the US Securities Act or the securities laws of any state, district or other jurisdiction of the United States, and it is currently intended that the New Sandstorm Shares will be issued to US Holders pursuant to the exemption from registration under the US Securities Act of 1933, as amended, provided by Section 3(a)(10) under such Act.

This Announcement does not constitute an offer for sale of any securities or an offer or an invitation to purchase any securities. Mariana Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

18 Offer-related Arrangements

18.1 Co-operation Agreement

Mariana and Sandstorm have entered into the Co-operation Agreement dated 26 April 2017, pursuant to which Mariana and Sandstorm have agreed to undertake to work co-operatively with each other in order to procure the obtaining of any and all approvals, consents, clearances, permissions and waivers as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any regulatory authority in connection with the satisfaction of the conditions to the Combination as soon as practicable and to provide each other with such information and assistance as is reasonably necessary for that purpose.

The Co-operation Agreement also contains provisions in relation to the Mariana Employee Equity Plans. Further details of these arrangements will be set out in the Scheme Document.

18.2 Confidentiality Agreement

On 28 March 2017, Sandstorm and Mariana entered into a confidentiality agreement in relation to the Combination, pursuant to which, amongst other things, Sandstorm undertook, subject to certain exceptions, to keep information relating to Mariana confidential and not to disclose it to third parties.

19 Documents published on a website

Copies of the following documents will, by no later than 12.00 p.m. (London time) on the Business Day following the date of this Announcement, be published on Sandstorm's website at <http://www.sandstormgold.com> and Mariana's website at <http://www.marianaresources.com>, and will also be available under Mariana's profile on SEDAR at www.sedar.com, and will be made available until the end of the Offer Period:

- a copy of this Announcement;
- the irrevocable undertakings referred to in paragraph 6 and set out in Appendix 3 to this Announcement;
- the Co-operation Agreement;
- the Confidentiality Agreement;
- the KPMG consent letter in relation to this Announcement dated 26 April 2017;
- the RFC Ambrian consent letter in relation to this Announcement dated 26 April 2017; and
- the Raymond James consent letter in relation to this Announcement dated 25 April 2017.

20 General

Your attention is drawn to the further information contained in the Appendices which form part of, and should be read in conjunction with, this Announcement.

KPMG has given and has not withdrawn its written consent to the issue of this Announcement with the inclusion of the references to its name in the form and context in which they appear.

RFC Ambrian has given and has not withdrawn its written consent to the issue of this Announcement with the inclusion of the references to its name in the form and context in which they appear.

Raymond James has given and has not withdrawn its written consent to the issue of this Announcement with the inclusion of the references to its name in the form and context in which they appear.

The Combination will be subject to the Conditions and certain further terms set out in Appendix 1 and the further terms and conditions set out in the Scheme Document when issued. Appendix 2 contains the sources and bases of certain information contained in this Announcement. Appendix 3 contains details of the irrevocable undertakings received by Sandstorm. Appendix 4 contains details of the Sandstorm Forecast. Appendix 5 contains the definitions of certain terms used in this Announcement.

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KPMG LLP, which is authorised and regulated in the UK by the FCA, is acting exclusively as financial adviser to Sandstorm in relation to the Combination, and is not acting for any other person in relation to such Combination. KPMG LLP will not be responsible to anyone other than Sandstorm for providing the protections afforded to its clients nor for providing advice in relation to the Combination or any other matters referred to in this Announcement or otherwise.

RFC Ambrian Limited, which is authorised and regulated by the FCA, is acting exclusively for Mariana and no-one else in connection with the Combination and will not be responsible to anyone other than Mariana for providing the protections afforded to clients of RFC Ambrian Limited nor for providing advice in relation to the Combination or any other matters referred to in this Announcement.

Raymond James Ltd. is acting exclusively as Canadian financial adviser to Mariana and to the Mariana Independent Directors, and no-one else in connection with the Combination and will not be responsible to anyone other than Mariana for providing the protections afforded to clients of Raymond James Ltd. nor for providing advice in relation to the Combination or any other matters referred to in this Announcement.

The technical and scientific information relating to Mariana and its assets contained in this Announcement has been reviewed and approved for release by Eric Roth, Mariana's Qualified Person as defined by NI 43-101. Mr Roth is Mariana's Chief Operating Officer and Executive Director and holds a Ph.D. in Economic Geology from the University of Western Australia, is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM), and is a Fellow of the Society of Economic Geologists (SEG). Mr Roth has 25 years of experience in international minerals exploration and mining project evaluation.

IMPORTANT NOTICE

Further information

This Announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Combination or otherwise, nor shall there be any sale, issuance or transfer of securities of Mariana in any jurisdiction in contravention of applicable law. The Combination will be made solely by means of the Scheme Document, which will contain the full terms and conditions of the Combination including details of how to vote in respect of the Scheme. Any vote in respect of the Scheme or other response in relation to the Combination should be made only on the basis of the information contained in the Scheme Document.

Overseas jurisdictions

The availability of the Combination to Mariana Shareholders who are not resident in and citizens of the UK or Guernsey may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK or Guernsey should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Relevant clearances have not been, and will not be, obtained from the securities commission or similar regulatory authority of any province or territory of Canada. Further details in relation to overseas shareholders will be contained in the Scheme Document and Mariana Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

The release, publication or distribution of this Announcement in or into jurisdictions other than the UK or Guernsey may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK or Guernsey should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purposes of complying with English law, Guernsey law, certain applicable Canadian securities laws, the AIM Rules, the rules of the London Stock Exchange and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside of England or Guernsey.

Copies of this Announcement and the formal documentation relating to the Scheme and the Combination will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction.

Notice to US Holders, US Optionholders and US Warrantholders

The Combination and the securities to be issued in connection with the Combination have not been approved or disapproved by the SEC or the securities regulatory authority of any state of the United States, nor has the SEC or any such state securities regulatory authority passed upon the fairness or merits of the Combination or upon the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence.

The New Sandstorm Shares to be received by Mariana Shareholders in exchange for their Mariana Shares pursuant to the Combination have not been, and will not be, registered under the US Securities Act or the securities laws of any state, district or other jurisdiction of the United States, and such securities are intended to be issued in reliance upon the exemption from the registration requirements of the US Securities Act set forth in Section 3(a)(10) thereof on the basis of the approval of the Guernsey Court, which will be informed in advance of the intention to rely upon such exemption, and similar exemptions under applicable state securities laws. Section 3(a)(10) of the US Securities Act exempts the issuance of securities issued in exchange for one or more bona fide outstanding

securities, from the registration requirements of the US Securities Act where, among other matters, the terms and conditions of such issuance and exchange have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the substantive and procedural terms and conditions of such issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely and adequate notice thereof.

The New Sandstorm Shares to be received by Mariana Shareholders upon completion of the Combination may be resold without restriction under the US Securities Act, except in respect of resales by persons who are “affiliates” (within the meaning of Rule 144 under the US Securities Act) of Sandstorm at the time of the Section 3(a)(10) exchange or who have been affiliates of Sandstorm within 90 days before the Section 3(a)(10) exchange or who are affiliates of Sandstorm at the time of such resale or within the 90-day period prior to such resale. Persons who may be deemed to be “affiliates” of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer (which includes, among others, 10% shareholders).

Mariana Options and Mariana Warrants will remain outstanding under their terms and any securities issuable upon exercise thereof have not been and will not be registered under the U.S. Securities Act or applicable state securities laws. As a result, Mariana Options and Mariana Warrants may not be exercised in the United States or by or on behalf of a US Optionholder or US Warrantholder, as applicable, nor may any New Sandstorm Shares issued upon such exercise be offered or resold in the United States or to or for the account of such a US holder, except pursuant to the terms of such security and pursuant to a registration statement under the U.S. Securities Act or an exemption from applicable registration requirements or in a transaction not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws.

The financial information on Sandstorm in this Announcement has been extracted or derived (without material adjustment) from Sandstorm's Annual Report and Accounts for the year ended 31 December 2016 and the unaudited interim production results for the three-month period ending 31 March 2017, which are prepared in US Dollars. The financial information on Mariana in this Announcement has been extracted or derived (without material adjustment) from Mariana's Annual Report and Accounts for the year ended 31 December 2016, which are prepared in British Pounds Sterling. In addition, such financial statements and other financial information included or incorporated by reference in this Announcement have been prepared in accordance with IFRS, which differs from US GAAP in certain material respects, and thus are not directly comparable to financial statements prepared in accordance with US GAAP.

Information in this Announcement or in the documents incorporated by reference herein concerning the properties and operations of Sandstorm and of Mariana has been prepared in accordance with requirements and standards under securities laws, which differ from the requirements of US securities laws. The terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” used in the Announcement or in the documents incorporated by reference herein are mining terms as defined in accordance with NI 43-101 under guidelines set out in the Definition Standards for Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy and Petroleum Council on 11 December 2005. While the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are recognized and required by securities laws other than the requirements of US securities laws, they are not recognized by the SEC. Disclosure of contained ounces are or may be permitted disclosure under regulations applicable to Mariana and Sandstorm; however, the SEC normally only permits issuers to report resources as in place tonnage and grade without reference to unit of production measures. As such, certain information contained in the Announcement or in the documents incorporated by reference herein concerning descriptions of mineralization and mineral resources under these standards may not be comparable to similar information made public by US companies subject to reporting and disclosure requirements of the SEC.

US Holders should be aware that the Combination described in the Announcement may have tax consequences in the United States and should consult their own tax advisors to determine the particular United States tax consequences to them of the Combination in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

The enforcement by investors of civil liabilities under the United States federal and state securities laws may be affected adversely by the fact that Sandstorm and Mariana are incorporated or organized under the laws of a jurisdiction other than the United States, that some or all of their officers and directors are and will be residents of countries other than the United States, that some or all of the experts named in the Announcement may be residents of countries other than the United States, and that all or a substantial portion of the assets of Sandstorm, Mariana and such persons are and will be located outside the United States. As a result, it may be difficult or impossible for US Holders (including US Optionholders and US Warrantheolders) to effect service of process within the United States upon Sandstorm or Mariana, as applicable, their respective officers or directors or the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or applicable securities laws of any state within the United States. In addition, US Holders (including US Optionholders and US Warrantheolders) should not assume that the courts of Guernsey: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or applicable securities laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or applicable securities laws of any state within the United States.

Notice to Canadian Holders

The enforcement by investors of civil liabilities under the Canadian securities laws may be affected adversely by the fact that Mariana is incorporated or organized under the laws of a jurisdiction other than Canada, that some or all of Sandstorm's and Mariana's officers and directors are and will be residents of countries other than Canada, that some or all of the experts named in this Announcement may be residents of countries other than Canada, and that all or a substantial portion of the assets of Sandstorm, Mariana and such persons are and will be located outside Canada. As a result, it may be difficult or impossible for Canadian Holders to effect service of process within Canada upon Mariana, Sandstorm's and Mariana's respective officers or directors or the experts named herein, or to realize, against them, upon judgments of courts of Canada predicated upon liabilities under Canadian securities laws. In addition, Canadian Holders should not assume that the courts of Guernsey: (a) would enforce judgments of Canadian courts obtained in actions against such persons predicated upon civil liabilities under Canadian securities laws; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the Canadian securities laws.

The New Sandstorm Shares to be issued pursuant to the Combination will be issued in reliance upon exemptions from the prospectus requirements of securities legislation in each province of Canada. Subject to certain disclosure and regulatory requirements and to customary restrictions applicable to distributions of shares that constitute "control distributions", New Sandstorm Shares may be resold in each province and territory in Canada, subject in certain circumstances, to the usual conditions that no unusual effort has been made to prepare the market or to create demand, no extraordinary commission or consideration is paid and, if the selling shareholder is an insider or officer of Sandstorm, such shareholder has no reasonable grounds to believe that Sandstorm is in default of securities legislation.

Canadian Holders should be aware that the Combination described in this Announcement may have tax consequences in Canada and should consult their own tax advisors to determine the particular Canadian tax consequences to them of the Combination in light of their particular circumstances, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

Forward-looking statements

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Combination, and other information published by Sandstorm and Mariana contain statements which are, or may be deemed to be, "forward-looking statements" or "forward-looking information" under applicable securities laws (collectively referred to as "**forward-looking statements**"). Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Sandstorm and Mariana about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Combination on Sandstorm and Mariana, the expected timing and scope of the Combination, production forecasts, plans with respect to the JV interest, plans with respect to the Exploration Properties, estimates of mineral resources, statements with respect to the Hot Maden PEA and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Sandstorm and Mariana believe that the expectations reflected in such forward-looking statements are reasonable, Sandstorm and Mariana can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to consummate the Combination; the ability to obtain requisite shareholder and stock exchange approvals and the satisfaction of other Conditions on the proposed terms and schedule; the ability of Sandstorm and Mariana to successfully integrate their respective operations and retain key employees; the potential impact of the announcement or consummation of the Combination on relationships, including with employees, suppliers, customers and competitors; and changes in general economic, business and political conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Sandstorm nor Mariana, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including, but not limited to, the AIM Rules), neither Sandstorm nor Mariana is under any obligation, and Sandstorm and Mariana expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

With respect to statements on the Sandstorm Forecast, which is included for the purposes outlined herein, readers are cautioned that the information may not be appropriate for other purposes.

No profit forecasts or estimates or quantified financial benefits statement

Other than in respect of the Sandstorm Forecast, no statement in this Announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement and no statement in this Announcement should be interpreted to mean that earnings per Mariana Share or Sandstorm Share for the current or future financial years would necessarily match or exceed the respective historical published earnings per Mariana Share or Sandstorm Share or to mean that the Combined Group's earnings in the first twelve months following the Combination, or in any subsequent period, following

the Combination would necessarily match, or be greater than or be less than, those of Mariana and/or Sandstorm for the relevant preceding financial period or any other period.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on website and SEDAR

A copy of this Announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Sandstorm's website at <http://www.sandstormgold.com> and Mariana's website at <http://www.marianaresources.com> by no later than 12 noon (London time) on the Business Day following this Announcement. For the avoidance of doubt, the contents of these websites are not incorporated by reference and do not form part of this Announcement.

This Announcement will also be available on SEDAR under Mariana's profile at www.sedar.com.

Requesting hard copy documents

In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement by contacting RFC Ambrian Limited during business hours on +44 (0)203 440 6800 or by submitting a request in writing to RFC Ambrian Limited at Level 5, Condor House, 10 St Paul's Churchyard, London, EC4M 8AL. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. You may also request that all future documents, announcements and information to be sent to you in relation to the Combination should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Mariana Shareholders, persons with information rights and other relevant persons for the receipt of communications from Mariana may be provided to Sandstorm during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code:

- Mariana confirms that as at the date of this Announcement it has in issue and admitted to trading on AIM and TSXV 126,231,768 ordinary shares of 0.1p each (save for 1,977,812 Mariana Shares which have been issued and are expected to be admitted to trading on AIM and TSXV on or around 27 April 2017). The ISIN of the ordinary shares is GG00BD3GC324.
- Sandstorm confirms that as at the date of this Announcement it has in issue and admitted to trading on TSX and NYSE MKT 151,994,269 common shares of no par value. The ISIN of the common shares is CA80013R2063.
- Sandstorm confirms that as at the date of this Announcement it has in issue and admitted to trading on TSX 5,002,500 common share purchase warrants with an exercise price of US\$14.00 per common share that expire on 7 September 2017. The ISIN of the warrants is CA80013R1313.
- Sandstorm confirms that as at the date of this Announcement it has in issue and admitted to trading on TSX 5,043,900 common share purchase warrants with an exercise price of US\$4.00 per common share that expire on 3 November 2020. The ISIN of the warrants is CA80013R1644.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

Appendix 1

Conditions and Certain Further Terms of the Scheme and the Combination

A. Conditions of the Combination

The Combination will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Code, by no later than the Long Stop Date or such later date (if any) as Sandstorm and Mariana may, with the consent of the Panel, agree and (if required) the Guernsey Court may allow.

Scheme Approval

1 The Scheme will be conditional upon:

- (a) approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) present and voting, either in person or by proxy, at the Guernsey Court Meeting and at any separate class meeting which may be required by the Guernsey Court or at any adjournment of any such meeting not later than the 22nd day after the date for which the Guernsey Court Meeting is originally convened (or such later date, if any, as Sandstorm and Mariana may agree and the Guernsey Court may allow);
- (b) all resolutions necessary to approve and implement the Scheme and to approve certain related matters being duly passed by the requisite majority or majorities at the General Meeting or at any adjournment of that meeting not later than the 22nd day after the date for which the General Meeting is originally convened (or such later date, if any, as Sandstorm and Mariana may agree and the Guernsey Court may allow); and
- (c) the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Sandstorm and Mariana) by the Guernsey Court and the Guernsey Court Meeting to sanction the Scheme being held on or before the 22nd day after the expected date of the Guernsey Court sanction hearing as set out in the Scheme Document (or such later date as Sandstorm and Mariana may agree and the Guernsey Court may allow).

In addition, Sandstorm and Mariana have agreed that, subject as stated in Part B below, the Combination will be conditional upon the following matters and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless such conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

Regulatory clearances

- 2 The Government of the Republic of Côte d'Ivoire, acting through its relevant department or agency, either confirming, on terms reasonably satisfactory to Sandstorm, that no regulatory consents are required for the indirect change of control of Awalé Resources SARL and/or Srika Gold or, if any such consents are required, the Government of the Republic of Côte d'Ivoire, acting through its relevant department or agency, giving the relevant consents on terms reasonably satisfactory to Sandstorm.

Listing of New Sandstorm Shares

- 3 Conditional approval or approval being granted for the New Sandstorm Shares to be listed and posted for trading on the TSX and the NYSE MKT.

General third party clearances

- 4 Excluding any filings required for the purposes of the confirmation or consent referred to in paragraph 2 (to which only paragraph 2 shall apply), all necessary filings or applications, including stock exchange applications, having been made, all necessary waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction deemed required having been complied with, in each case in connection with the Combination or the acquisition by any member of the Wider Sandstorm Group of any shares or other securities in, or control of, any member of the Wider Mariana Group, where the direct consequence of a failure to make such a notification or filing or to wait for the expiry, lapse, or termination of any such waiting or time period would be unlawful in any relevant jurisdiction or which is material in the context of the Wider Sandstorm Group or the Wider Mariana Group, in each case, taken as a whole, or would be material in the context of the Combination.
- 5 All Authorisations, including stock exchange approvals, which are necessary or are reasonably considered necessary by Sandstorm in any relevant jurisdiction for or in respect of the Scheme or Combination or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Mariana or any other member of the Wider Mariana Group by any member of the Wider Sandstorm Group or the carrying on by any member of the Wider Mariana Group of its business having been obtained, in terms and in a form reasonably satisfactory to Sandstorm, from all appropriate Third Parties or from any persons or bodies with whom any member of the Wider Mariana Group has entered into contractual arrangements, in each case where the absence of such Authorisation would or might reasonably be expected to have a material adverse effect on the Mariana Group taken as a whole and all such Authorisations remaining in full force and effect and there being no notice or intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same.
- 6 Any resolution or resolutions of the independent Mariana Shareholders required to approve and implement the Retention Arrangements being duly passed at the General Meeting in accordance with Rule 16 of the Code.
- 7 Excluding in relation to the confirmation or consent referred to in paragraph 2 (to which only paragraph 2 shall apply), no Third Party having intervened (as defined below) and there not continuing to be outstanding any statute, regulation or order of any Third Party, in each case which would or might reasonably be expected to:
- (a) make the Scheme or the Combination or, in each case, its implementation or the acquisition or proposed acquisition by Sandstorm or any member of the Wider Sandstorm Group of any shares or other securities in, or control or management of, Mariana or any member of the Wider Mariana Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or materially delay the same or impose additional conditions or obligations with respect to the Scheme or the Combination or such acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Combination or such acquisition, or require amendment to the terms of the Scheme or Combination or the acquisition or proposed acquisition of any Mariana Shares or the acquisition of control or management of Mariana or the Wider Mariana Group by Sandstorm or any member of the Wider Sandstorm Group;
 - (b) materially limit or delay, or impose any material limitations on, the ability of any member of the Wider Sandstorm Group or any member of the Wider Mariana Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Wider Mariana Group or any member of the Wider Sandstorm Group;
 - (c) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Sandstorm Group of any shares or other securities in Mariana or of all or any portion of their respective businesses,

assets or properties or materially limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;

- (d) require any member of the Wider Sandstorm Group or of the Wider Mariana Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of either group owned by any third party;
- (e) materially limit the ability of any member of the Wider Sandstorm Group or of the Wider Mariana Group to conduct or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider Sandstorm Group or of the Wider Mariana Group; or
- (f) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position of any member of the Wider Mariana Group or of the Wider Sandstorm Group.

Certain matters arising as a result of any arrangement, agreement, etc.

- 8 Except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Wider Mariana Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Scheme or Combination or the acquisition or proposed acquisition of any shares or other securities in, or control of, Mariana or any other member of the Wider Mariana Group by any member of the Wider Sandstorm Group or otherwise, would be expected to result in (in any case to an extent which would reasonably be expected to be material in the context of the Mariana Group taken as a whole):
- (a) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider Mariana Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity date or repayment date or the ability of any member of the Wider Mariana Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;
 - (b) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Mariana Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
 - (c) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any member of the Wider Mariana Group thereunder, being, or becoming capable of being, terminated or adversely modified or affected or any adverse action being taken or any obligation or liability arising thereunder;
 - (d) any asset or interest of any member of the Wider Mariana Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Mariana Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be available to any member of the Wider Mariana Group otherwise than in the ordinary course of business;
 - (e) the creation of any liabilities (actual or contingent) by any member of the Wider Mariana Group other than in the ordinary course of business;

- (f) the rights, liabilities, obligations or interests of any member of the Wider Mariana Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified or affected; or
- (g) the financial or trading position or the value of any member of the Wider Mariana Group being prejudiced or adversely affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, would or would reasonably be expected to result in any of the events or circumstances which are referred to in paragraphs (a) to (g) of this Condition 6 in any case to an extent which would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole.

Certain events occurring since 31 December 2016

9 Except as Disclosed, no member of the Wider Mariana Group having, since 31 December 2016:

- (a) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exercisable or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury, other than as between Mariana and wholly-owned subsidiaries of Mariana or any shares issued or shares transferred from treasury upon the exercise of any Mariana Warrants or of any Mariana Options;
- (b) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital;
- (c) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to Mariana or a wholly-owned subsidiary of Mariana);
- (d) save for intra-Mariana Group transactions, made or authorised any change in its loan capital;
- (e) save for intra-Mariana Group transactions, entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merged with, demerged or acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same (in each case to an extent which would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole);
- (f) issued or authorised the issue of, or made any change in or to, any debentures or (save for intra-Mariana Group transactions) incurred or increased any indebtedness or liability (actual or contingent) which in any case would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (g) entered into, varied, or authorised any material agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
 - (A) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude; or

- (B) is likely to restrict the business of any member of the Wider Mariana Group; or
 - (C) is other than in the ordinary course of business,
- (ii) and which would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (h) undertaken:
 - (i) a conversion or transfer under Part V of the Companies (Guernsey) Law;
 - (ii) an amalgamation under Part VI of the Companies (Guernsey) Law;
 - (iii) a migration under Part VII of the Companies (Guernsey) Law; or
 - (iv) an arrangement or reconstruction (other than the Scheme) under Part VIII of the Companies (Guernsey) Law;
- (i) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (j) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (k) waived or compromised any claim otherwise than in the ordinary course of business which would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (l) made any alteration to its memorandum or articles of incorporation (in each case, other than in connection with the Scheme);
- (m) entered into, terminated or varied the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, agreement, commitment, transaction or arrangement with any person employed by any member of the Wider Mariana Group, including entering into any such arrangement which would result in any liability of any member of the Wider Mariana Group to make any severance, termination, bonus or other payments to any of its directors or other officers, which would or might reasonably be expected to be material in the context of the Combination or which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Mariana Group;
- (n) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Mariana Group; or
- (o) other than with the consent of Sandstorm, no action having been taken or proposed by any member of the Wider Mariana Group, or having been approved by Mariana Shareholders or consented to by the Panel, which falls or would fall within or under Rule 21.1 of the Code or which otherwise is or would be materially inconsistent with the

implementation by Sandstorm of the Combination on the basis contemplated as at the date of this Announcement.

No adverse change, litigation or regulatory enquiry

10 Except as Disclosed, since 31 December 2016:

- (a) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Wider Mariana Group which in any case would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (b) no contingent or other liability of any member of the Wider Mariana Group having arisen or become apparent or increased which in any case would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (c) no litigation, arbitration proceedings, prosecution or other legal or regulatory proceedings to which any member of the Wider Mariana Group is or may become a party (whether as plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Mariana Group having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Mariana Group which in any such case might reasonably be expected to have a material adverse effect on the Mariana Group taken as a whole;
- (d) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Mariana Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which might reasonably be expected to have a material adverse effect on the Wider Mariana Group taken as a whole;
- (e) (other than as a result of the Combination) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the Wider Mariana Group which in any case would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole; and
- (f) no member of the Wider Mariana Group having conducted its business in breach of any applicable laws and regulations which in any case would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole.

No discovery of certain matters

11 Except as Disclosed, Sandstorm not having discovered:

- (a) that any financial or business or other information concerning the Wider Mariana Group disclosed at any time by or on behalf of any member of the Wider Mariana Group, whether publicly, to any member of the Wider Sandstorm Group or to any of their advisers or otherwise, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading to an extent which might reasonably be expected to be material in the context of the Mariana Group taken as a whole;
- (b) that any member of the Wider Mariana Group is subject to any liability (actual or contingent) which would or might reasonably be expected to be material in the context of the Mariana Group taken as a whole;

- (c) any past or present member of the Wider Mariana Group has not complied in all material respects with all applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including property) or harm human health or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place), which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) or cost on the part of any member of the Wider Mariana Group;
- (d) there is or is likely to be any material liability (actual or contingent) to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider Mariana Group under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction;
- (e) circumstances exist which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Sandstorm Group or any present or past member of the Wider Mariana Group would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Mariana Group or by any person for which a member of the Wider Mariana Group is or has been responsible or in which any such member may have or previously have had or be deemed to have had any interest which is material in the context of the Wider Mariana Group taken as a whole; or
- (f) circumstances exist whereby a person would be likely to have any claim in respect of any product or process of manufacture or materials used therein currently or previously manufactured sold or carried out by any past or present member of the Wider Mariana Group which claim would be likely, materially and adversely, to affect any member of the Wider Mariana Group to an extent which is material in the context of the Wider Mariana Group taken as a whole.

Anti-corruption, sanctions and criminal property

12 Except as Disclosed, Sandstorm not having discovered that:

- (a) any:
 - (A) past or present member, director, officer or employee of the Wider Mariana Group; or
 - (B) person that performs or has performed services on behalf of the Wider Mariana Group,

has at any time engaged in an activity, practice or conduct which would constitute an offence under the UK Bribery Act 2010, the US Foreign Practices Act of 1977, The Corruption of Foreign Public Officials Act (Canada) 1998, the Prevention of

Corruption (Bailiwick of Guernsey) Law, 2003 or any other applicable anti-corruption legislation, including paid or agree to pay any bribe including any "inducement fee", given or agreed to give any similar gift or benefit or paid or agreed to pay a concealed bank account or fund to or for the account of, any customer, supplier, governmental official or employee, representative of a political party, or other person for the purpose of obtaining or retaining business;

- (b) any asset of any member of the Wider Mariana Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (c) any past or present member, director, officer or employee of the Wider Mariana Group, or any other person for whom any such person may be liable or responsible, has engaged in any business or made any investments in, or made any payments or assets available to or received any funds or asset from:
 - (A) any government, entity, or individual with which US or Canadian or European Union persons (or persons operating in those territories) are prohibited from engaging in activities, doing business or from receiving or making available funds or economic resources, by US, Canadian or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs; or
 - (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states; or
- (d) a member of the Mariana Group has engaged in a transaction which would cause the Sandstorm Group to be in breach of any law or regulation on completion of the Combination, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states.

13 For the purpose of these Conditions:

- (a) **Authorisations** means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals;
- (b) **Third Party** means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority (including any national or supranational anti-trust or merger control authority), court, trade agency, stock exchange, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including, for the avoidance of doubt, the Panel; and
- (c) a Third Party shall be regarded as having "intervened" if it has given notice to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and "intervene" shall be construed accordingly.

B. Certain further terms of the Scheme and the Combination

- 1 Conditions 2 to 11 (inclusive) must be fulfilled, be determined by Sandstorm to be or remain satisfied or (if capable of waiver) be waived by 11.59 p.m. on the date immediately preceding the date of the Scheme Court Hearing, failing which the Scheme will lapse.
- 2 Notwithstanding the paragraph above and subject to the requirements of the Panel, Sandstorm reserves the right in its sole discretion to waive all or any of Conditions 2 to 11 inclusive, in whole or in part and to proceed with the Scheme Court Hearing prior to the fulfilment, satisfaction or waiver of any of the Conditions 2 to 11 inclusive.
- 3 Sandstorm shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of Conditions 2 to 11 (inclusive) by a date earlier than the latest date specified above for the fulfilment of that condition, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
- 4 Fractions of New Sandstorm Shares will not be allotted or issued to holders of Mariana Shares. Fractional entitlements will be rounded down to the nearest whole number of New Sandstorm Shares. Fractional entitlements of pence payable to holders of Mariana Shares under the Cash Consideration Amount will be rounded down to the nearest whole number of pence.
- 5 Sandstorm reserves the right to elect to implement the Combination by way of a takeover offer in compliance with the Code (which shall be an offer for the purposes of section 337 of the Companies (Guernsey) Law), subject to the Panel's consent. In such event, such Offer will be implemented by Sandstorm or a wholly-owned subsidiary of Sandstorm on the same terms and conditions (subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such other percentage (being more than 50 per cent.) as Sandstorm may decide (subject to the Panel's consent) of the shares to which such Offer relates) so far as applicable, as those which would apply to the Scheme.
- 6 If the Panel requires Sandstorm to make an offer for Mariana Shares under the provisions of Rule 9 of the Code, Sandstorm may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
- 7 The Combination will be subject, inter alia, to the Conditions and certain further terms which are set out in this Appendix 1 and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the AIM Rules for Companies and the provisions of the Code.
- 8 Mariana Shares will be acquired by Sandstorm fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or payable after the date of this Announcement. If after the date of this Announcement and prior to the Effective Date, any dividend and/or other distribution and/or other return of value is declared, made or paid or becomes payable in respect of Mariana Shares, Sandstorm reserves the right (without prejudice to any right Sandstorm may have with the consent of the Panel, to invoke Condition 7(c) in Part A of this Appendix 1 to this Announcement) to reduce the amount of Consideration payable for such Mariana Shares under the terms of the Combination by an amount equivalent to such dividend, other distribution or return of value.
- 9 The Scheme will be governed by the laws of the Island of Guernsey and be subject to the jurisdiction of the Courts of Guernsey and to the conditions and further terms set out in this Announcement and in the Scheme Document. The Combination will be subject to the applicable requirements of the London Stock Exchange, the PRA, the Guernsey Financial Services Commission, FSMA, the Code, the TSXV, the TSX, applicable Canadian securities law and US federal securities law (except to the extent that exemptive relief has been granted by the SEC).

- 10 Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to overseas shareholders will be contained in the Scheme Document.
- 11 Under Rule 13.5(a) of the Code, Sandstorm may not invoke a Condition so as to cause the Combination not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Sandstorm in the context of the Combination. The Conditions contained in paragraph 1 above and, if applicable, any acceptance condition if the Combination is implemented by means of an Offer, are not subject to this provision of the Code.
- 12 Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Appendix 2

Bases and Sources

In this Announcement, unless otherwise stated, or the context otherwise requires, the following base and sources have been used:

- 1 Unless otherwise stated:
 - (a) the financial information on Sandstorm has been extracted or derived (without material adjustment) from Sandstorm's Annual Report and Accounts for the year ended 31 December 2016 and the unaudited interim production results for the three-month period ending 31 March 2017;
 - (b) the financial information on Mariana has been extracted or derived (without material adjustment) from Mariana's Annual Report and Accounts for the year ended 31 December 2016.
- 2 As at the close of business on 25 April 2017 (being the last business day prior to the date of this Announcement), Mariana had in issue 128,209,580 Mariana Shares. The ISIN Number for Mariana Shares is GG00BD3GC324.
- 3 As at the close of business on 25 April 2017 (being the last business day prior to the date of this Announcement), Sandstorm had in issue 151,994,269 Sandstorm Shares. The ISIN Number for Sandstorm Shares is CA80013R2063.
- 4 The fully diluted share capital of Mariana as at 25 April 2017 (being 152,091,026 Mariana Shares) is calculated on the basis of:
 - (a) the number of Mariana Shares referred to in paragraph 2 above, which excludes 190,250 Mariana Shares held as treasury shares on 25 April 2017; and
 - (b) any further Mariana Shares which may be issued on or after the date of this Announcement:
 - (i) on the exercise of options with an exercise price lower than 109.71 pence granted under the Mariana Incentive Stock Option Plan, amounting to 7,717,500 Mariana Shares (which excludes the exercise of options with an exercise price greater than 109.71 pence granted under the Mariana Incentive Stock Option Plan, amounting to 180,000 Mariana Shares) as at 25 April 2017; and
 - (ii) on the exercise of Mariana Warrants, amounting to 15,263,946 Mariana Shares as at 25 April 2017; and
 - (iii) on the vesting of share bonus awards under the Mariana Share Bonus Awards, amounting to 900,000 Mariana Shares as at 25 April 2017.
- 5 The issued share capital of the Combined Group (being 187,661,365) has been calculated on the basis of:
 - (a) a total number of 151,994,269 Sandstorm Shares in issue on 25 April 2017; and
 - (b) a total number of 35,667,096 New Sandstorm Shares being required to be issued to Mariana Shareholders (excluding Sandstorm) to satisfy the New Sandstorm Share Consideration Amount payable under the terms of the Combination, calculated on the basis of the entire issued and to be issued share capital of Mariana referred to in

paragraph 4 of this Appendix 2 less any Mariana Shares held by Sandstorm or in respect of which Sandstorm is interested by virtue of its holding of Mariana Warrants.

- 6 The value of the consideration to be paid by Sandstorm under the terms of the Combination to Mariana Shareholders (excluding Sandstorm) is £152.07 million (or US\$195.27 million) has been calculated on the basis of:
- (a) the fully diluted ordinary share capital of Mariana referred to in paragraph 4 of this Appendix 2 less any Mariana Shares held by Sandstorm or in respect of which Sandstorm is interested by virtue of its holding of Mariana Warrants, representing a net total of 138,620,661 Mariana Shares to be purchased by Sandstorm;
 - (b) total cash consideration (being £39.85 million or US\$51.17 million) calculated by reference to the consideration cash component of 28.75 pence per Mariana Share; and
 - (c) total share consideration (being £112.22 million or US\$144.10 million) calculated by reference to the consideration share component of 0.2573 New Sandstorm Shares per Mariana Share, based on the closing price of US\$4.04 per Sandstorm Share on NYSE MKT and a currency exchange rate of £0.7788 per US\$, on 25 April 2017 (being the last Business Day before the date of this Announcement).
- 7 As at 25 April 2017 (being the last Business Day before the date of this Announcement) there are 7,717,500 options outstanding under the Mariana Incentive Stock Option Plan with an exercise price lower than 109.71 pence. If all of these options are exercised, the aggregate cash consideration received from option holders upon exercise will amount to £4.8 million.
- 8 As at 25 April 2017 (being the last Business Day before the date of this Announcement) there are 1,454,251 2015 Warrants outstanding with an exercise price of 30 pence. If all of these warrants are exercised, the aggregate cash consideration paid by holders of 2015 Warrants will amount to £0.4 million.
- 9 As at 25 April 2017 (being the last Business Day before the date of this Announcement) there are 9,319,570 2016 Warrants outstanding that are not held by Sandstorm, with an exercise price of 25 pence. If all of these warrants are exercised, the aggregate cash consideration paid by holders of 2016 Warrants (excluding Sandstorm) will amount to £2.3 million.
- 10 The market prices of the Mariana Shares are the closing middle market quotations as derived from the Daily Official List.
- 11 The market prices of the Sandstorm Shares, unless otherwise stated, represent mid-market closing prices on the relevant date(s) on the NYSE MKT as derived from Proquote.
- 12 VWAP figures are sourced from Bloomberg and, where relevant, are translated from US\$ to £ using the London close composite rate each day prior to averaging.
- 13 Certain figures included in this Announcement have been subject to rounding adjustments.
- 14 Unless otherwise stated, where amounts referred to in this Announcement have been translated from US\$ to £, an exchange rate of 0.7788 has been used, as sourced from Bloomberg on 25 April 2017.
- 15 Under the heading “Strong production base” in section 3 (“Background and reasons for the Combination”), and throughout this Announcement, Sandstorm has included certain performance measures in this Announcement that do not have any standardized meaning prescribed by IFRS including average cash cost per ounce of gold and cash operating margin. Average cash cost per ounce of gold is calculated by dividing the total cost of sales, less depletion, by the ounces sold. In the precious metals mining industry, Sandstorm believes that

this is a common performance measure but does not have any standardized meaning. Sandstorm believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate Sandstorm's performance and ability to generate cash flow. Cash operating margin is calculated by subtracting the average cash cost per ounce of gold from the average realized selling price per ounce of gold. Sandstorm presents cash operating margin as it believes that certain investors use this information to evaluate Sandstorm's performance in comparison to other companies in the precious metals mining industry who present results on a similar basis. Sandstorm's royalty income is converted to an attributable gold equivalent ounce basis by dividing the royalty income for that period by the average realized gold price per ounce from Sandstorm's gold streams for the same respective period. These attributable gold equivalent ounces when combined with the gold ounces sold from Sandstorm gold streams equal total attributable gold equivalent ounces sold. The presentation of these non-IFRS measures is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. Other companies may calculate these non-IFRS measures differently. Please refer to Sandstorm management's discussion and analysis for the year ended 31 December 2016, available at www.sedar.com, for a reconciliation of non-IFRS measures.

- 16 Information regarding the Hot Maden Project has been derived from the Hot Maden PEA. The Hot Maden PEA is preliminary in nature as it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability, and as such there is no certainty that the preliminary assessment and economics will be realized. Mr. Roth, a qualified person under NI 43-101, has reviewed the Hot Maden PEA on behalf of Sandstorm. To the best of Sandstorm's knowledge, information and belief, there is no new material scientific or technical information that would make disclosure of the mineral resource or Hot Maden PEA inaccurate or misleading.
- 17 Under the headings "Introduction" and "Geology and Mineral Resources" in Section 8 ("Information relating to Mariana"), gold equivalence (**AuEq**) was calculated using a 100 day moving average of US\$1,215/ounce for gold and US\$2.13/pound for copper as of 29 May 2016. No adjustment has been made for metallurgical recovery or net smelter return as these remain uncertain at this time. Based on grades and contained metal for gold and copper, it is assumed that both commodities have reasonable potential to be economically extractable. The formula used for Au equivalent grade is: $AuEq\ g/t = Au + [(Cu\% \times 22.0462 \times 2.13)/(1215/31.1035)]$ and is not adjusted for assumed metallurgical recovery. Au equivalent ounces are calculated by multiplying Mineral Resource tonnage by Au equivalent grade and converting for ounces. The formula used for Au equivalent ounces is: $AuEq\ Oz = [Tonnage \times AuEq\ grade\ (g/t)]/31.1035$.

Appendix 3

Details of Irrevocable Undertakings

The following holders of Mariana Shares have given irrevocable undertakings to vote in favour of the Scheme at the Guernsey Court Meeting and the resolutions to be proposed at the General Meeting which are necessary to implement the Combination and any related transactions (and to vote against any resolutions which may result in the Combination not being implemented) in relation to the following Mariana Shares, respectively:

Directors

Name	Number of Mariana Shares	Percentage of issued share capital of Mariana
John Goodwin	62,000	0.05
John Horsburgh	843,050	0.66
Glen Parsons	337,250	0.26
Eric Roth	649,371	0.51

The undertakings referred to above will remain binding if a higher competing offer for Mariana is made. The undertakings will cease to be binding if: (i) the Announcement is not made by 5.00 p.m. (London time) on 26 April 2017 (or such later date as the Company and the Offeror may agree); or (ii) the Panel consents to Sandstorm not proceeding with the Combination; or (iii) the Scheme does not become Effective by 31 August 2017 (other than in circumstances where Sandstorm has elected to proceed by way of takeover offer and such offer has not lapsed or been withdrawn).

Other shareholders

Name	Number of Mariana Shares	Percentage of issued share capital of Mariana
AngloGold Ashanti Holdings PLC	4,898,295	3.82
Australian Investors Pty Ltd	3,819,794	2.98

The undertakings referred to above will remain binding if a higher competing offer for Mariana is made. The undertakings will cease to be binding if: (i) the Announcement is not released by 5.00 p.m. (London time) on 27 April 2017; or (ii) the Panel consents to Sandstorm not proceeding with the Combination; or (iii) the Scheme does not become Effective by 31 August 2017 (other than in circumstances where Sandstorm has elected to proceed by way of takeover offer and such offer has not lapsed or been withdrawn); or (iv) an offer is announced by a third party on terms which represent in the reasonable opinion of KPMG LLP (in the case of Australian Investors Pty Ltd) or RFC Ambrian Limited (in the case of AngloGold Ashanti Holdings PLC) an improvement of ten per cent or more on the value of the consideration offered under the Combination.

Appendix 4

Sandstorm Forecast

The following information on Sandstorm's operating cash flow after tax (and before corporate overhead), which is included in the Sandstorm Investor Presentation is considered to be a profit forecast for the purposes of Rule 28 of the Takeover Code. The Panel has agreed that the Sandstorm Forecast should be treated as an ordinary course profit forecast, pursuant to Note 2(a) on Rule 28.1.

Calendar Year	Operating Cash Flow After-Tax (US\$ millions)
2017	US\$50
2018	US\$47
2019	US\$58
2020	US\$65
2021	US\$65

Basis of preparation and assumptions

The Sandstorm Forecast is a repetition of forecast for the periods set out above and included in the Sandstorm Investor Presentation. The Sandstorm Investor Presentation, and hence the Sandstorm Forecast, was prepared as at or around 1 April 2017 with production figures estimated at or around 1 January 2017.

It reflects the Sandstorm estimates of expected future cash flows and cash costs associated with Sandstorm's commodity streams and royalties. Expected future cash flows reflect the estimated future production for each mine at which Sandstorm has a commodity stream or royalty based on public disclosure, technical reports and incorporating management estimates where appropriate.

Expected future cash flows reflect metal price assumptions of US\$1,200 per ounce of gold, US\$17.00 per ounce of silver and US\$2.50 per pound of copper. It is also assumed that tax rates will remain materially unchanged from prevailing rates.

Estimated future cash costs are at a fixed price per commodity unit or at variable price based on spot which is consistent with the underlying terms of the commodity stream or royalty.

The Sandstorm Forecast does not include any general and administrative costs associated with Sandstorm which would otherwise be included in operating cash flows under IFRS.

Directors' confirmation

The cash flow amounts presented above do not have any standardised meaning prescribed by IFRS. The Sandstorm Directors have considered the Sandstorm Forecast and confirm that it remains valid as at the date of this Announcement, that it has been properly compiled on the basis of the assumptions set out above, and that the basis of the assessment is consistent with Sandstorm's prior forecasts.

Appendix 5

Definitions

The following definitions apply throughout this Announcement unless the context requires otherwise.

£, Sterling, pence or p	the lawful currency of the UK
2015 Warrants	the warrants issued under the 2015 Warrant Instrument
2015 Warrant Instrument	the Mariana share warrant instrument dated 21 October 2015
2016 Warrants	the warrants issued under the 2016 Warrant Instrument
2016 Warrant Instrument	the Mariana share warrant instrument dated 4 May 2016
AIM	AIM, a market of the London Stock Exchange
Announcement	this announcement made pursuant to Rule 2.7 of the Code
Articles	the articles of incorporation of Mariana, as amended from time to time
Awalé	Awalé Resources SARL
Business Day	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London and Guernsey
Canadian Holders	holders of Mariana Shares in Canada, resident in Canada or with a registered address in Canada, and any custodian, nominee or trustee holding Mariana Shares for persons in Canada or with a registered address in Canada
Cash Consideration Amount	28.75 pence payable per Scheme Share under the terms of the Scheme
Code	the City Code on Takeovers and Mergers
Combination	the proposed acquisition by Sandstorm of the entire issued and to be issued ordinary share capital of Mariana
Combined Group	the Sandstorm Group, as enlarged by the Combination
Companies Act	the Companies Act 2006, as amended from time to time
Companies (Guernsey) Law	the Companies (Guernsey) Law, 2008, as amended from time to time
Conditions	the conditions to the implementation of the Combination (including the Scheme) as set out in Appendix 1 to this Announcement and to be set out

	in the Scheme Document
Confidentiality Agreement	the agreement between Sandstorm and Mariana in respect of confidential information relating to the proposed Combination dated 28 March 2017
Consideration	the basic consideration payable to Mariana Shareholders in connection with the Combination comprising a share component of 0.2573 New Sandstorm Shares per Mariana Share and a cash component of 28.75 pence per Mariana Share
Co-operation Agreement	the agreement between Sandstorm and Mariana in respect of the conduct of the Combination dated on or around the date of this Announcement
Dealing Disclosure	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
Disclosed	<p>information disclosed by, or on behalf of, Mariana in:</p> <p>(a) Mariana's annual report and accounts for the year ended 31 December 2016;</p> <p>(b) this Announcement; or</p> <p>(c) as otherwise publicly announced by Mariana no later than one (1) Business Day prior to the date of this Announcement (by the delivery of an announcement to Regulatory Information Service)</p>
Effective	<p>(i) if the Combination is implemented by way of the Scheme, the date on which the order of the Guernsey Court sanctioning the Scheme under Part VIII of the Companies (Guernsey) Law becomes effective in accordance with its terms; or</p> <p>(ii) if the Combination is implemented by way of an Offer, such Offer having been declared or become unconditional in all respects in accordance with the Code</p>
Effective Date	the date upon which the Scheme becomes Effective
Excluded Shares	(i) any Mariana Shares beneficially owned by Sandstorm or any other member of the Sandstorm Group; (ii) any Mariana Shares held as treasury shares by Mariana; and (iii) any other Mariana Shares which Sandstorm and Mariana agree will not be subject to the Scheme
Exploration Properties	the remaining exploration properties of Mariana with a focus on gold, silver and associated metals in Ivory Coast, Turkey and Argentina
FCA	the Financial Conduct Authority
FSMA	Financial Services and Markets Act 2000, as

	amended from time to time
Forms of Proxy	the forms of proxy in connection with each of the Guernsey Court Meeting and the General Meeting, which shall accompany the Scheme Document
General Meeting	the general meeting of Mariana to be convened in connection with the Scheme and in accordance with the Articles, notice of which will be set out in the Scheme Document, including any adjournment thereof
g/t	grammes per tonne
Guernsey Court	the Royal Court of Guernsey
Guernsey Court Meeting	the meeting of the Scheme Shareholders (other than the holders of the Excluded Shares) convened by order of the Guernsey Court pursuant to section 107 of the Companies (Guernsey) Law and in compliance with Section 3(a)(10) of the US Securities Act, to consider and, if thought fit, to approve the Scheme, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Scheme at which Mariana Shareholders have the right to appear, with or without modification (including any adjournment or postponement thereof)
Hot Maden	a high-grade, gold-copper, development-stage project in northeast Turkey, in which Mariana holds a 30% incorporated JV interest via the Turkish company Artmin Madencilik Sanayi ve Ticaret AS
Hot Maden PEA	the technical report entitled “Amended National Instrument 43-101 Technical Report Preliminary Economic Assessment Hot Maden Gold Copper Project Artvin Province, Turkey” with an effective date of 1 March 2017
IFRS	the International Financial Reporting Standards as issued by the International Accounting Standards Board
ISIN	International Securities Identification Number
IRR	internal rate of return
JV	joint venture
km²	square kilometres
KPMG	KPMG LLP, a limited liability partnership registered in England and Wales with registered number OC301540 and which has its registered office at 15 Canada Square, E14 5GL, United Kingdom

Koz	thousand ounces
kt	thousand tonnes
Lidya	Lidya Madencilik Sanayive Ticaret A.S., incorporated and registered in Turkey with company number 590086 and registered address Būdere Caddesi No: 163 34394, Zincirlikuyu, Istanbul
London Stock Exchange	London Stock Exchange plc
Long Stop Date	31 August 2017
Mariana	Mariana Resources Limited, a non-cellular company incorporated under the laws of Guernsey with registered number 44276 and registered address at Granite House, La Grande Rue, St Martin, Guernsey, GY1 3RS
Mariana Employee Equity Plans	the Mariana Incentive Stock Option Plan and the Mariana Share Bonus Awards
Mariana Group	Mariana and its subsidiary undertakings
Mariana Incentive Stock Option Plan	the incentive stock option plan approved by Mariana Shareholders on 22 June 2011
Mariana Independent Directors	the directors of Mariana that are independent for the purposes of the Scheme, being John Horsburgh and John Goodwin
Mariana Options	options to subscribe for Mariana Shares granted under the Mariana Employee Equity Plans
Mariana Share Bonus Awards	the share bonus awards made by Mariana to each of (i) Glen Parsons pursuant to a letter agreement entered into between Mariana and Glen Parsons on 10 March 2017; and (ii) Eric Roth pursuant to a letter agreement entered into between Mariana and Eric Roth on 10 March 2017, in each case as announced by Mariana on 1 February 2017 (and, for the avoidance of doubt, excluding the options to subscribe for Mariana Shares referred to in those agreements)
Mariana Shareholders	the registered holders of the Mariana Shares
Mariana Shares	ordinary shares of 0.1 pence each in the capital of Mariana
Mariana Warrant Holders	the holders of the Mariana Warrants
Mariana Warrant Instruments	the 2015 Warrant Instrument and the 2016 Warrant Instrument
Mariana Warrants	the 2015 Warrants and the 2016 Warrants
Moz	million ounces

Mt	million tonnes
Mtpa	million tonnes per annum
New Sandstorm Share Consideration Amount	0.2573 Sandstorm Shares payable per Scheme Share under the terms of the Scheme
New Sandstorm Shares	the Sandstorm Shares which are to be issued pursuant to the Scheme
NI 43-101	Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects
NPV	net present value
NSR	net smelter royalty
NYSE MKT	the NYSE MKT LLC
Offer	if (subject to the consent of the Panel) Sandstorm elects to effect the Combination by way of a takeover offer, the offer to be made by or on behalf of Sandstorm to acquire the entire issued and to be issued ordinary share capital of Mariana (other than those shares already held by Sandstorm) on the terms and subject to the conditions to be set out in the related offer document
Panel	the Panel on Takeovers and Mergers
PFS	Preliminary Feasibility Study
PRA	the Prudential Regulation Authority
Regulatory Information Service	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
Restricted Jurisdiction	any jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Combination is sent or made available to Mariana Shareholders in that jurisdiction (in accordance with Rule 30.3 of the Code)
Retention Arrangements	the proposed retention arrangements with Glen Parsons and Eric Roth as described in paragraph 10 (<i>Directors, management and employees</i>) of this Announcement
RFC Ambrian	RFC Ambrian Limited
RPM	RungePincockMinarco Limited
Scheme	the scheme of arrangement under Part VIII of the Companies (Guernsey) Law to be proposed by Mariana to Mariana Shareholders in connection with the Combination, with or subject to any modification, addition or condition approved or imposed by the Guernsey Court and agreed by Sandstorm and

	Mariana
Scheme Court Hearing	the second hearing before the Guernsey Court on an application to sanction the Scheme
Scheme Document	the document to be despatched to Mariana Shareholders and others containing, among other things, the Scheme, an explanatory statement in compliance with Part VIII of the Companies (Guernsey) Law and the notices of the Guernsey Court Meeting and the General Meeting
Scheme Record Time	means the time and date specified in the Scheme Document by reference to which the entitlements of Mariana Shareholders under the Scheme will be determined, expected to be 6.00 pm on the Business Day before the Scheme becomes Effective
Scheme Shareholders	holders of Scheme Shares
Scheme Shares	<p>Mariana Shares:</p> <ul style="list-style-type: none"> (a) in issue as at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and before the Guernsey Court Meeting; and (c) (if any) issued on or after the Guernsey Court Meeting but before the Scheme Record Time, in respect of which the original or any subsequent holder thereof is, or shall have agreed in writing to be, bound by the Scheme, <p>but in each case other than the Excluded Shares</p>
Scheme Voting Record Time	6.00 p.m. on the day which is two days before the date of the Guernsey Court Meeting or, if the Guernsey Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the day of such adjourned meeting
SEC	US Securities and Exchange Commission
Sandstorm	Sandstorm Gold Ltd, a company incorporated under the laws of the Province of British Columbia, Canada with registered address 1400–400 Burrard Street, Vancouver, British Columbia, Canada V6C 3A6
Sandstorm Forecast	the information on Sandstorm’s operating cash flow after tax (and before corporate overhead) which is included in the Sandstorm Investor Presentation which is available on Sandstorm’s website
Sandstorm Group	Sandstorm and its subsidiary undertakings
Sandstorm Investor Presentation	Sandstorm’s latest investor presentation, which is available on Sandstorm’s website

Sandstorm Shares	Sandstorm common shares
SpinCo	a separate company into which Sandstorm intends to spin-out the Exploration Properties following completion of the Combination
Stream and Royalty Portfolio	Sandstorm's diversified portfolio of 155 streams and royalties including 20 producing, 23 development-stage, 26 advanced exploration-stage and 86 exploration-stage assets
Substantial Interest	a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking
t	tonnes
Teck Royalty Package	the royalty portfolio consisting of 52 royalties acquired by Sandstorm from Teck Resources Limited and its affiliates in the year ended 31 December 2016
TSX	the Toronto Stock Exchange
TSXV	the TSX Venture Exchange
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
United States of America, United States or US	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
US Exchange Act	the United States Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder (as amended)
US GAAP	United States generally accepted accounting principles
US Holders	holders of Mariana Shares in the US, resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding Mariana Shares for persons in the US or with a registered address in the US
US Optionholders	holders of Mariana Options in the US, resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding Mariana Options for persons in the US or with a registered address in the US
US Securities Act	the United States Securities Act of 1933 and the rules and regulations promulgated thereunder (as amended)
US Warrantholders	holders of Mariana Warrants in the US, resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding Mariana Warrants for persons in the US or with a registered address in the US

US\$	the lawful currency of the United States
VWAP	volume weighted average price
Wider Mariana Group	Mariana and the subsidiaries and subsidiary undertakings of Mariana and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Mariana Group is interested or any undertaking in which Mariana and such undertakings (aggregating their interests) have a Substantial Interest)
Wider Sandstorm Group	Sandstorm and the subsidiaries and subsidiary undertakings of Sandstorm and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Sandstorm Group is interested or any undertaking in which Sandstorm and such undertakings (aggregating their interests) have a Substantial Interest)
Yamana	Yamana Gold Inc.

For the purposes of this Announcement, **subsidiary**, **subsidiary undertaking**, **undertaking**, **associated undertaking** have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this Announcement. All references to time in this Announcement are to London time unless otherwise stated.